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CHAPTER I
Preliminary

G.S.R. 752(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules, namely:—

1. Short title and commencement.—(1) These rules may be called the Sugar Development Fund Rules, 1983.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.—In these rules, unless the context otherwise requires,—

(a) ‘Accounts Officer’ means the Controller of Accounts, Department of Food, Government of India, New Delhi;

(b) ‘Act’ means the Sugar Development Fund Act, 1982 (4 of 1982);

(c) ‘Central government’ unless otherwise specified, means the Government of India in the Department of Food;

(d) ‘cess’ means the duty of excise levied and collected under section 3 of the Sugar Cess Act, 1982 (3 of 1982);

(e) ‘Chief Director’ means the Chief Director in the Directorate of Sugar, Department of Food of the Government of India and includes any Additional Chief Director, Director or Deputy Director in the said Directorate;

(f) ‘Committees’ means the Standing Committee constituted under rule 6;

(g) ‘Financial institution’ means the Industrial Finance Corporation of India, the Industrial Development Bank of India or the Industrial Credit and Investment
Corporation of India Limited referred to in sub-section (1) of section 4A of the Companies Act, 1956 (I of (1956), or any other financial institution as may be specified under sub-section (2) of the said Act.

b) 'Form' means any one of the forms appended to these rules.

c) 'grade' means the Indian Sugar Standard grade, represented by the standard sealed samples of sugar in bottles issued by the Director, National Sugar Institute, Kanpur, conforming to the standards laid down by the Indian Standards Institution referred to in clause (e) of section 2 of the Indian Standards Institution (Certification Marks) Act, 1952 (36 of 1952).

d) 'occupier' in relation to any sugar factory, means the person who has ultimate control over the affairs of the sugar factory or the owner of the sugar factory in case he is not the occupier;

e) 'Schedule' means the Schedule annexed to these rules;

f) 'sugar factory' means any premises (including the precincts thereof) in any part of which sugar is manufactured by vacuum pan process;

g) 'sugar' means any form of sugar, including crushed sugar or sugar in crystallized or powder form containing ninety per cent or more of sucrose and produced by the vacuum pan process and includes raw sugar produced by the said process;

h) 'sugar undertaking' means an undertaking engaged in the manufacture or production of sugar by means of vacuum pan and with the aid of mechanical power;

i) 'sugar year' means the period of twelve months commencing on the Ist day of October and ending with the 30th day of September next following;

j) words and expressions used in these rules and not defined herein, but defined in the Act, shall have the meaning respectively assigned to them in the Act.

CHAPTER II

Credits to the Fund and maintenance of accounts

Credits to the Fund.—(1) The Central Government shall formulate, from time to time, necessary Demand for Grants, under Major Head '309'-C-Food-C-9-Other expenditure-C9(3) payable against collection of Cess on Sugar (Non-plan) for withdrawal of amounts from the Consolidated Fund of India and, after appropriation by the Parliament, appropriate to the Fund of such amounts, not exceeding the proceeds of the cess collected, as reduced by cost of collection, as may be specified by the Central Government;

Provided that until such cost of collection is specified, it shall be one per cent of the cess collected.

(2) In addition to the amounts received under the provisions of sub-rule (1) amounts received on account of repayment of loans, interest, realisation of securities for loans and penalty for any other amounts payable to the Central Government for the purpose of the Act, shall be credited to the Fund by the institution, sugar undertaking, person or authority concerned, by means of a Demand Draft, drawn on the Reserve Bank of India or the State Bank of India, New Delhi, in favour of the Accounts Officer, and shall be sent to him alongwith Form-I duly filled in. A copy of the Form-I shall also be sent to the Central Government by such institution, sugar undertaking, person or authority.

4. Maintenance of accounts.—The Accounts Officer shall maintain the accounts of the Fund.

5. Manner of accounting.—(1) All amounts received into the credit of the Fund shall be accounted for under Major Head "829" Development and Welfare Funds—Development Funds for Agricultural purposes—Sugar Development Fund.

(2) All expenditure incurred for the purposes of the Act and these rules shall be met initially from the Consolidated Fund of India under the following Head of Accounts and finally debited to the Fund under the Head of Account specified in sub-rule (1) :—

A. Revenue Section.

Major Head '309'-C-Food

(i) C. I.—Director and Administration—C.I. (2) Other Offices—C.I. (2) Administration of Sugar Development Fund (Non-plan):

(ii) C.3.—Subsidy for maintenance of Buffer Stock of sugar (Non-plan).

(iii) C. 9.—Other Expenditure—C 9(5) Grant-in-aid for Development of Sugar Industry (Non-plan);
CHAPTER III
Committee and Sub-Committees, their constitution and function

6. Standing Committee

As soon as may be after the coming into force of these rules, the Central Government may constitute a Standing Committee consisting of the following members namely:

1. Secretary, Department of Food, Chairman
2. Finance Secretary, Ministry of Finance, Member
3. Secretary, Department of Agriculture and Cooperation, Member
4. Secretary in the Ministry of Finance (Department of Expenditure), Member
5. Secretary, Planning Commission, Member
6. Joint Secretary, Ministry of Finance (Banking Division), Member
7. Joint Secretary, Department of Food, Member
8. Chief Director, Directorate of Sugar, Department of Food, Member
9. Deputy Secretary in the Sugar Wing of the Department of Food, Member-Secretary

Provided that the Central Government may nominate not more than two officers of that Government having special knowledge of any aspect of sugar industry as additional members of the Committee as experts.

7. Functions of the Committee.—(1) The Committee shall consider from time to time applications received for purposes covered under rules 16, 17 and 18 for payment of loan assistance and grants and such other matters as may be referred to it by the Central Government;

Provided that in the case of any reference made by the Central Government, the Committee shall make its recommendations within two months from the date they are referred to it.

(2) The Committee may also be entrusted with such other functions connected with the Act as may be decided by the Central Government from time to time.

(3) The Committee may appoint one or more sub-committees whenever it considers it necessary so to do for facilitating efficient and speedy discharge of its functions. The sub-committees shall consist of only members of the Committee. The Chairman of the Committee may nominate any one of the members of the sub-committee or its convener and where no such nomination has been made, the members of the sub-committee may themselves elect a convener.

(4) The Member-Secretary of the Committee shall act as Secretary to all sub-committees.

CHAPTER IV
Procedures relating to meetings of Committee and sub-committees

8. Meetings.—The Committee may hold meetings as often as may be deemed necessary by it, but shall meet at least once in each quarter of a year:

Provided that in a quarter during which no application, or any other matter referable to it under sub-rule (2) of rule 7, has been received by the Committee, it shall not be necessary to hold a meeting in that quarter.

9. Quorum : Three members in the case of the Committee and two members in the case of a sub-committee shall constitute the quorum.

10. Presiding over the meetings of the Committee and sub-committees.—The Chairman of the Committee and the convener of a sub-committee respectively shall preside over the meetings of the Committee or the sub-committee as the case may be. In the event of the Chairman or, as the case may be, the convener being unable to attend the meeting for any reason, the members present may elect one amongst themselves to preside over the meeting.

11. Power to call a meeting : (1) The Chairman of the Committee or the convener of a sub-committee may, at any time, call a meeting of the Committee or a sub-committee.

Provided that the Chairman or the convener, as the case may be, shall call a meeting if a requisition for that purpose is presented to him by at least three members in the case of the Committee and two members in the case of a sub-committee.

(2) At least 14 clear days' notice indicating the time and place of a proposed meeting, signed by the Member-Secretary of the Committee, shall be sent to the members of the Committee or the sub-committee.
Provided that in case of urgency, a special meeting of the Committee or sub-committee may be called at any time by the Chairman or the convenor, who shall inform the members at least one clear day in advance of the subject matter for consideration at the meeting and the reasons for which he considers meeting urgent:

Provided further that no other business shall be transacted at such a meeting.

"(3) The Chairman or the convenor, as the case may be, may invite any person to attend any meeting of the Committee or sub-committee as a special invitee but such person shall not be entitled to vote.

12. Agenda: (1) At least seven clear days before any meeting of the Committee or a sub-committee, except meetings referred to in proviso to sub-rule (2) to rule 11, a list of business proposed to be transacted at the meeting, signed by the Member-Secretary of the Committee, shall be sent to the members of the Committee or, as the case may be, of a sub-committee.

(2) No business, not included in the list of business, shall be transacted at a meeting without the permission of the person presiding over the meeting.

13. Business by Circulation.—(1) Any business which is not of an urgent nature and which is to be transacted by the Committee or a sub-committee, if the Chairman of the Committee or convenor of the sub-committee so directs, shall be referred to members by circulation of papers and any proposal so circulated and approved by the majority of the members who have given their approval in writing, shall be deemed to be the recommendation of the Committee or the sub-committee as if the proposal had been approved by a majority of the members at a meeting.

Provided that at least three members in the case of the Committee and two members in the case of a sub-committee have given their approval to the proposal.

Provided further that when a proposal is referred to members by circulation of papers, any three members of the Committee or two members of a sub-committee may require that the proposal be referred to members at a meeting, and thereupon such reference shall be made to members at a meeting of the Committee or sub-committee, as the case may be.

(2) When any business is referred to members by circulation, a period of not less than 14 clear days shall be allowed for receipt of replies from members, such period being reckoned from the date on which the said business is so referred by the Secretary to the members.

(3) If any business is transacted by circulation the result thereof shall be communicated to all the members of the Committee or sub-committee by the Secretary of the Committee.

14. Voting.—(1) Every question brought before any meeting of the Committee or sub-committee shall be decided by a majority of the members present and voting at the meeting before which the matter is brought. No member shall vote by proxy.

(2) In the case of equality of votes at a meeting the Chairman, the convenor or the person presiding, as the case may be, shall have a second or casting vote.

15. Travelling, daily allowance etc. of members of Committee/sub-committees, special invitees etc.—(1) Any journey performed by a member of the Committee or sub-committee or a special invitee in connection with the work of the Committee or a sub-committee within the city limits of his headquarters shall be performed by such person making use of the facility available to him from his employer provided that a person other than a Government officer or an employee of an undertaking owned or controlled by the Central or a State Government shall be entitled to reimbursement of taxi hire charges at actual rates.

(2) For journeys performed by a member of the Committee or a sub-committee or a special invitee in connection with the work of the Committee or a sub-committee outside the city limits of his headquarters, the member or special invite shall be entitled to the travelling allowance, daily allowance and other allowances at the rates applicable for such journeys if performed for purposes in connection with the work of his employer provided that in a case where it is not possible to ascertain the applicable rate, he shall be entitled to the rates applicable to a Grade I Officer of the Central Government while performing such journeys:

Provided that when the person undertaking the journey is not governed by any rules, the travelling expenses may be allowed at rates as may be decided by the Committee having regard to the status of the person and the mode of the journey normally employed by him for his own work, provided that daily allowance to be allowed shall not exceed the rates admissible to a First Grade Officer of the Central Government.

CHAPTER V

Loan for modernisation/rehabilitation

16. (1) Any sugar undertaking, which is approved by a financial institution for assistance under its relevant scheme for modernisation and rehabilitation for the purpose of rehabilitation modernisation of its plant and machinery, shall normally be eligible for a loan under this rule:
Provided that the Committee may, with the previous approval of the Central Government, make any class or classes of sugar undertakings ineligible for such assistance;

Provided further that where the Committee decides that an applicant is not eligible, reasons therefore shall be recorded in writing.

(2) Any eligible sugar undertaking under sub-rule (1), may make an application to the Committee in Form-II, along with eleven certified copies thereof.

(3) The Member-Secretary of the Committee shall, as soon as may be, after the receipt of an application referred to in sub-rule (2), place the application before the Committee along with his comments if any, for the Committee’s consideration.

(4) It shall be open to the Committee before taking a final decision on an application, to—

(a) call for any further information from the applicant; or

(b) appoint a sub-committee or expert to make an investigation and report on any aspect relating to the application.

(5) The final decision of the Committee on any application shall be submitted to the Central Government in the form of a recommendation.

(6) The Central Government may, after consideration of the recommendation of the Committee and any other relevant factor, authorise payment to a sugar undertaking of such amount of loan, not exceeding the amount required by the financial institution to be contributed by such sugar undertaking as promoters’ contribution, as may be determined by the Central Government.

(7) The amount of loan authorised under sub-rule (6) shall be disbursed by the Central Government to the sugar undertaking, or paid by it to the financial institution for disbursement to the sugar undertaking, either in lump sum or in two or more instalments as may be considered necessary by the Central Government.

(8) The financial institution shall treat the amount paid to it under sub-rule (7) as the promoters’ contribution, or as part thereof, required to be raised by the sugar undertaking for availing of the loan under its relevant scheme for modernisation and rehabilitation.

(9) (i) Every disbursement of a loan referred to in sub-rule (7) shall be preceded by a bilateral agreement between the Central Government and the sugar undertaking concerned, or, as the case may be, by a tripartite agreement between the Central Government, the sugar undertaking concerned and the financial institution.

(ii) The bilateral agreement, or as the case may be, the tripartite agreement referred to in sub-clause (i) shall contain the terms and conditions with regard to the period of repayment including the number and amount of instalments, payment of interest, the manner of such repayment, payment and any other matter incidental to the loan and shall, as far as possible, be identical to the terms and conditions of the agreement, relating to the relevant scheme for modernisation and rehabilitation of the financial institution and all other terms and conditions including rates of interest and the form of agreement for grant of loans shall, as far as possible, be, on the lines of the terms and conditions of the agreement relating to the said scheme.

(10) Repayment of the loan granted under this rule and payment of interest thereon shall, if the terms and conditions of the agreement so provide, be made by the sugar undertaking through the financial institution and such repayment and payment shall run concurrently with the repayment and payment to the financial institution of the loan paid by that institution under its relevant scheme for modernisation and rehabilitation:

Provided that the amount of each installment of repayment of the loan under this rule shall bear the same proportion to the corresponding instalment payable to the financial institution as the amount of loan granted from the Fund has to the amount of the loan granted under the relevant scheme of that institution for modernisation and rehabilitation.

(11) The financial institution shall, within thirty days of receipt of any amount from the loanee sugar undertaking by way of repayment of loan from the Fund, payment of interest thereon, or any other receipts credit the said amounts to the Fund.

CHAPTER VI

Loan for Sugarcane Development

17. (1) The Central Government may, after taking into consideration the recommendations of the Committee and any other relevant factor, accord sanction to the payment of a loan from the Fund to a sugar undertaking in connection with the development of sugarcane in its area for the purposes of—

(a) setting up of heat treatment plants;

(b) bearing of nurseries;

(c) pest control measures;

(d) incentives to cultivators to switch over to improved varieties of sugarcane;
Provided that loans from the Fund shall be granted only if the Central Government is satisfied on the basis of the information given in Form III that no financial assistance is available for the purpose from any agency and, if available, the amount thereof is, in the opinion of the Central Government, inadequate and needs to be supplemented by loans from the Fund.

(2) Loan to a sugar undertaking under this rule shall be disbursed only through the Government of the State in which the sugar factory is located, upon the sugar undertaking executing an agreement on such terms and conditions as the Central Government may decide in consultation with the Government of the State, including a provision for monitoring by the State Government of utilisation of the loan, the progress of the scheme for which the loan is advanced, repayment of the loan with interest and remittance to the credit of the Fund.

(3) (a) The amount of loan advanced under this rule shall carry such rate of interest as may be decided by the Central Government from time to time.

(b) In case of any default in repayment of the amount of the loan, or payment of any instalment thereof or interest thereon in accordance with the provisions of the agreement executed under sub-rule (2), an additional interest at the rate of two and a half per cent per annum on the amount of default shall be payable by the sugar undertaking.

(4) An application for loan under this rule shall be submitted in Form-III, with twelve copies thereof to the Government of the State in which the applicant sugar undertaking is located and the State Government may, after scrutiny of the application, forward the same and eleven copies thereof with its comments and recommendations to the Member-Secretary of the Committee.

CHAPTER VII
Grants for research

18. (1) The Central Government, may, after consultation with the Committee, authorise payment of grants to established institutions connected with the sugar industry for carrying out research aimed at the promotion and development of any aspect of sugar industry:

Provided that only such research schemes shall be considered for grant as are recommended by the Development Council for Sugar Industry established under section 6 of the Industries (Development and Regulation) Act, 1951 (65 of 1951):

Provided further that disbursement of the grant authorised under this rule shall be made only through the said Development Council for Sugar Industry.

(2) Payment of grants shall be subject to the provisions contained in the Schedule.

CHAPTER VIII
Buffer Stock

19. (1) The Central Government, may, having regard to the stock of sugar held with the sugar undertakings, the prospects of sugar production, the requirement of sugar for consumption within the country and exports and such other relevant factors as may be considered necessary, decide, from time to time, the quantity of sugar to be maintained as buffer stock.

(2) The sugar maintained in the buffer stock shall conform to the grade laid down from time to time by the Indian Standards Institution referred to in clause (e) of section 2 of the Indian Standards Institution (Certification Marks) Act, 1952 (36 of 1952) and shall be of such grade as may be decided by the Central Government.

(3) The Central Government or the Chief Director may, from time to time, require an occupier of the sugar factory to set apart such quantity and grade of sugar, pertaining to such sugar year or years, as may be necessary for the purpose of buffer stock:

Provided that the share of each occupier shall be on the basis of the production of the sugar undertaking in a particular sugar year.

(4) Every occupier of a sugar factory shall set apart sugar so required, and shall store it in separate and distinctly identifiable stacks and lots and in separate godowns within the premises of the sugar undertaking:

Provided that the Central Government may, in exceptional cases and for reasons to be recorded in writing, grant exemption to an occupier of a sugar factory from the operation of this rule.

(5) Every occupier of a sugar factory shall, within fifteen days of the date of issue of the communication under clause (3), furnish a compliance report, in triplicate, in Form-IV to the Central Government.

(6) Every occupier of a sugar factory shall provide safeguards against damage loss or deteriora-
in the quality of sugar stored as buffer stock, against mixing of other stocks with the buffer stock.

(7) Every occupier of a sugar factory shall store the buffer stock so set apart against fire and theft, including burglary, and also from floods the premises of the sugar undertaking are primarily exposed to the risk of floods.

(8) In case of any deterioration, damage, or to the buffer stock, every occupier of a sugar factory shall send to the Central Government a full and detailed report in writing indicating the extent therefore and the extent of such damage, deterioration or loss.

(9) Every occupier of a sugar factory shall keep available to the Central Government or the Chief Director or an officer deputed by the Central Government, access to the buffer stock of sugar for purposes of inspection as regards its manner of maintenance, its quantity and quality including grade and sugar year relevant to its production and also all books, records and accounts relating to the buffer stock.

(10) No occupier of a sugar factory shall, except for the purposes provided under this rule, remove, despatch or replace or dispose of any buffer stock without obtaining prior written permission of the Central Government or the Chief Director.

(11) The Central Government or the Chief Director may, at any time, require an occupier of a sugar factory to release such quantity and quality of sugar out of the buffer stock for sale, consumption, replacement of old or damaged stocks of sugar or sugar not conforming to the Indian Sugar Standards laid down by the Indian Standards Institution, as may be specified.

(12) Every occupier of a sugar factory shall, fifteen days of issue by the Central Government or the Chief Director of the permission or communication referred to in sub-rule (10) or (11), furnish a compliance report, in triplicate, in Form IV to the Central Government and the Chief Director.

(13) Maintenance of funds received by way of additional credit and utilisation thereof:

(a) Every occupier of a sugar factory shall set apart the amount, if any, received from his bankers by way of additional credit on the quantity of buffer stock of sugar and credit the amount so set apart to a separate account with the same banker for the purpose provided in clause (b).

(b) The amount credited to the separate account shall not be used by the said occupier for any purpose other than for payment of price, including arrears of price, payable for the sugar purchased by the sugar factory.

(14) Subsidy towards interest, storage and insurance:

The Central Government may authorise payment for every quarter, year or part thereof to the occupier of every sugar factory, which has—

(a) set apart the required quantity of sugar as buffer stock.

(b) pledged by it with any scheduled bank for the time being included in the second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934) or any State Co-operative bank or Central Co-operative bank as defined in the National Bank for Agriculture and Rural Development Act, 1981 (61 of 1981);

(c) maintained it in accordance with these rules, and to the satisfaction of the Central Government, of an amount calculated in the manner provided in sub-rule (15), towards subsidy for the storage, insurance and interest charges:

Provided that the amount of subsidy payable on account of interest charges shall be the amount calculated under sub-rule (15) or the amount of interest charges actually paid, or payable by the sugar undertaking for the quarter or part thereof on the loan or advances received by it on pledging with the bank, the quantity of sugar maintained by it as buffer stock, whichever is less:

Provided further that no payment shall be authorised, unless the Central Government in exceptional circumstances decides otherwise, to the occupier of a sugar factory which has not—

(a) paid the cess on sugar under section 3(3) of the Sugar Cess Act, 1982 (3 of 1982),

(b) furnished the return(s) information required under rule 4 of the Sugar Cess Rules, 1982,

(c) complied with the provisions of sub-rule (13), and

(d) furnished to the Central Government or the Chief Director the monthly return of the quantity of non-levy sugar sold and the amount of the sale-proceeds.

Explanation.—(1) For the purpose of this rule, the months January to March, April to June, July to September, and October to December of a calendar year shall form the quarterly periods.
(2) At the commencement of these rules, the buffer stock shall be deemed to have come into being not earlier than the 1st day of October, 1982.

(15) Manner of calculation of subsidy.—(i) the Central Government may specify, from time to time, the rate, per annum at which the subsidy towards interest, storage and insurance charges shall be calculated:

Provided that till such rates are specified, they shall be—

(a) eighteen per cent per annum towards interest charges, and

(b) one and a half per cent per annum towards subsidy on storage and insurance charges.

of the value of sugar set apart as buffer stock, determined with reference to the average of the tariff value fixed by the Central Government in the Ministry of Finance for the purpose of levy and collection of excise duty on sugar, for the three months immediately preceding the commencement of the quarter or the period for which the payment is to be authorised under sub-rule (14):

Provided further that the payment of subsidy in respect of a quarter subsequent to the one ending on the 31st March, 1983, or a part thereof, the value of the buffer stock shall be determined with reference to the average actual realisation per quintal of sugar made by the claimant sugar undertaking on the sale of non-levy sugar in the open market during the relevant quarter/period to which the claim relates.

Explanation.—‘Non-levy’ sugar means the sugar which is outside the purview of the Levy Sugar Supply (Control) Order, 1979 or an order made under clause (f) of sub-section (2) of section 3 of the Essential Commodities Act, 1955 (10 of 1955).

(ii) Subject to the first proviso to sub-rule (14), the claim for subsidy for a quarterly period or part thereof shall be based upon the amounts computed in accordance with the following formulae, namely:—

(a) Subsidy towards interest (Rs.) \[= \frac{B \times V \times I \times N}{365/366}\]

(b) Subsidy towards storage and insurance charges (Rs.) \[= \frac{B \times V \times S \times N}{365/366}\]

(c) Total of (a) and (b) in rupees, rounded off to the nearest rupee =

Explanation to the letters used in the formulae:

1. ‘B’ is the quantity, in quintals, of sugar maintained as buffer stock.

2. ‘V’ is the value per quintal of sugar determined under clause (1).

3. ‘I’ is the rate of interest specified under clause (1).

4. ‘S’ means the rate of storage/insurance charges specified in clause (1).

5. ‘N’ is the number of days for which the quantity of buffer stock is maintained during the relevant period/quarter divided by 366 days in a leap year and by 365 days in other years.

6. The amount under clause (ii)(c) shall be rounded off to the nearest rupee by ignoring 1 to 50 paisa and by treating 51 to 99 paise as one rupee.

(16) Manner of claiming the amount due towards subsidy on interest, storage and insurance:

A claim for the amount due to a sugar undertaking under sub-rule (15) shall be preferred by the occupier in Form-V, in triplicate, to the Central Government, as soon as may be, after the end of the preceding quarterly period:

Provided that the Central Government may, for reasons to be recorded in writing, relax the requirements of the production of the certificate from the State Government referred to in Form V in an individual case of hardship, subject to production by the claimant sugar undertaking of such other documentary evidence as may be considered satisfactory by the Central Government.

FORM-V
[Rule 3 (3)]

Statement showing details of repayment of loan/refund of grant.

(Amount in Rupees)

1. Name and address of depositor.

2. No., date and amount of Bank Draft enclosed.

3. Total amount of loan/grant received, with sanction No., and date.

4. Total amount of loan refunded—

   (1) Amount of loan refunded.

   (2) Amount of loan already refunded, if any.

   (3) Total loan refunded

   (4) Outstanding amount of loan

5. Deposit of interest on loan—

   (1) Amount of interest payable

   (2) Amount of interest deposited.

   (3) Outstanding amount, if any, of interest.

   (f) minus (2)
6. Deposit on account of penalty or any other account (to be specified).
   (1) Amount due
   (3) Amount deposited
   (3) Outstanding, if any.

7. Deposit on account of refund of grant.
   (1) Amount of grant received.
   (3) Amount utilised.
   (3) (a) Amount not utilised and thus to be refunded.
   (b) Amount refundable on account of a default.
   (c) Total amount refundable [(a) plus (b)]
   (4) Amount, if any, refunded already.
   (5) Amount now deposited.
   (6) Outstanding amount to be refunded.

8. Deposit of interest on the amount refunded under clause 5(e), (c)
   and (f) of the Schedule.
   (1) Amount of interest payable.
   (2) Amount due.
   (3) Amount utilised.
   (4) Outstanding amount of interest, if any.

   Signature: 
   Name: 
   Designation: 

Place: 
Date: 

Name and address of the sugar undertaking, institution etc.

FORM—II 
[Rule 16 (2)]

Application for financial assistance from Sugar Development Fund towards promoters' contribution for financing modernisation/rehabilitation scheme.

1. Name of the applicant:

2. Address:
   (i) Registered Office:
   (ii) Location of the factory:

3. Constitution (whether Co-operative Society, Private/ Public Ltd. Company, Joint Sector/Public Sector Company):

4. Date of Incorporation/Registration:

5. Existing activity/Past performance:
   (i) Briefly state the present activities:
   (ii) Performance during the last 3 years:

6. Salient Production and Operating Results:

   821 G/59—4

7. Year ended Year ended

   19 19 19

   (1) Licensed crushing capacity (TCD)
   (2) Installed crushing capacity (TCD)
   (3) Area under sugarcane (acres)
   (4) Average yield (tonnes/acre)
   (5) Total production of sugarcane in the area (lakh tonnes)
   (6) Gross duration of the season (days)
   (7) Net duration of the season (days)
   (8) Percentage of hours lost to total available hours
   (9) Average daily rate of crushing (tonnes)—
       (a) Including stoppages
       (b) Excluding stoppages
   (10) Total cane crushed (lakh tonnes)
   (11) Pol % cane
   (12) Total sugar losses % cane
   (13) Average sugar recovery %
   (14) Total sugar produced (Quintals)
   (15) Reduced mill extraction %
   (16) Reduced Boiling House Extraction %
   (17) Reduced Overall Extraction %
   (18) Extra fuel consumption % cane

NOTE: (i) In case the performance has not been upto the accepted norms and if there has been wide fluctuation in the performance, please state the reasons, in brief.

(ii) Please furnish installed capacity, production and efficiency figures in respect of other activities, if any, such as distillery, paper unit, etc.

8. Working Results:

   Year ended

   19 19 19

   (1) Net sales
   (2) Gross profit/loss
   (3) Interest on—
       (a) Term loans
       (b) Working capital
       (c) Total
   (4) Depreciation
   (5) Operating profit/loss
   (6) Tax
   (7) Net Profit/(Loss)
   (8) Cash accruals
   (9) Applicable statutory cane price fixed by the Government of India (Rupees per quintal)
   (10) Actual cane price paid (Rupees per quintal)
C. Financial position

1. Gross fixed assets including work-in-progress.
2. Net fixed assets
3. Investments
4. Current liabilities
5. Net working capital
6. Net tangible assets
7. Less depreciation
8. Net fixed assets (5) minus (6)
9. Current assets
10. Less current liabilities
11. Net working capital (4) minus (5)
12. Investments (3) plus (5) plus (6)
13. Net fixed assets (2) plus (9) plus (10)
14. Net working capital (11) minus (12)

VI. Broad Description of the Proposed project and how the project is expected to improve the operations/viability of the concern.

VII. Whether the project has been approved by the all-India Financial Institutions for assistance under the Soft Loan Scheme.

X. Means of Financing. Debt-Equity Ratio and Security margin (as approved by the all-India Financial Institutions).

XI. Percentage and amount of Promoters' Contribution stipulated by the all-India Financial Institutions.

XII. Amount of guarantee required from Sugar Development Fund towards Promoters' contribution alongside justification therefore having regard to the financial position/capital adequacy of the applicant concerns/promoters.

XIII. Schedule of Implementation of the Project.

XIV. Please furnish a summary of the projected profitability/cash flow statements for 10 years after completion of the scheme (in the format at Annexures 4 and 9) along with critical assumptions.

ANNEXURE—I TO FORM—II

Name of the concern/Society

Summary of Projected Profitability and cash flow statements for 10 years

(Amount in Rupees in lakhs)

<table>
<thead>
<tr>
<th>Year ending</th>
<th>19</th>
<th>19</th>
<th>19</th>
<th>19</th>
</tr>
</thead>
</table>

No. of working days

% output to installed capacity production (quantity).

1. Net sales (exclusive of excise duty)
2. Gross operating profit before depreciation, interest (on term loans and deferred payments), management remuneration, Sole Selling Agency commission and tax.
3. Depreciation.
4. Interest (on term loans/deferred payments).
5. Management remuneration.
6. Selling Agency Commission
7. Operating profit before tax (2 minus (3+4+5+6))

XV. Information on directors.

XVI. Whether the project has been approved by the all-India Financial Institutions for assistance under the Soft Loan Scheme.

(a) If so, enclose a certified true copy of the "Letter of Intent" issued by the Lead Institution.

(b) List out any condition(s) of material nature stipulated by the Lead Institution including rate of interest, repayment period, and security.

IX. Cost of the Project (as approved by the all-India Financial Institutions). Please furnish break-up and certified true copy of the approval.

Signature:

Name:

Place:

Designation:

Date:

Name and address of the sugar undertaking:

(Occupier)
**ANNEXURE-II TO FORM-II**

**CASH FLOW STATEMENT**

(This statement should be prepared for a period of 10 operating years)

<table>
<thead>
<tr>
<th>Construction</th>
<th>Operating</th>
<th>period</th>
<th>Years</th>
<th>(Half yearly)</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>19</td>
<td>19</td>
<td>19</td>
<td></td>
</tr>
</tbody>
</table>

**SOURCES OF FUNDS**

1. Share issue.
2. Profit before taxation with interest added back.
3. Depreciation provision for the year.
5. Increase in secured medium and long-term borrowings for projects.
6. Other medium/long-term loans.
7. Increase in unsecured loans and deposits.
8. Increase in bank borrowings for working capital.
9. Increase in liabilities for deferred payment (including interest) to machinery suppliers.
10. Sale of fixed assets.
12. Other income (indicate details)

**TOTAL (A)**

<table>
<thead>
<tr>
<th>(In thousands of rupees)</th>
<th>Construction</th>
<th>Operating</th>
<th>period</th>
<th>years</th>
<th>(Half yearly)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>19</td>
<td>19</td>
<td>19</td>
<td>19</td>
<td></td>
</tr>
</tbody>
</table>

**DISPOSITION OF FUNDS**

1. Capital expenditure for the project.
2. Other normal capital expenditure.
3. Increase in working capital.
4. Decrease in secured medium and long-term borrowings.
   - All India Institutions.
   - SFCS
   - Banks
5. Decrease in unsecured loans and deposits.
6. Decrease in Bank borrowings for working capital.
7. Decrease in liabilities for deferred payments (including interest) to machinery suppliers.

---

**NOTE:** Items 27 and 28 shall be computed in the same manner as done for the purpose of securing loan under the Soft Loan Scheme of the financial institution.

Signed by:
Name:
Designation:
Name and address of the sugar undertaking.

Place:
Date:
(occupier)
Application for financial assistance for cane development

To be submitted through the State Government

(Amount in Rupees)

1. Name and address of sugar undertaking:

2. Year of installation:

3. Cane crushing capacity:

4. Quantity of cane crushed during the preceding three sugar years:

5. Purpose for which loan is applied for (enclose a detailed report on the project/scheme proposed to be implemented):

6. Expected benefits on completion of the scheme:

7. Details of assistance available from agencies other than the Central Government for similar purpose:

8. Reasons, if any, for not availing of such assistance:

9. Whether the proposed project/scheme is covered in full or in part by any scheme of the State Government or any other agency for development of sugarcane in the applicant sugar undertaking's area:

10. Amount of loan applied for:

11. Proposed mode of repayment of loan:

Signature:

Name and designation:

Name and address of the sugar undertaking:

Place:

Date:

FORM-IV

[Rule 19(5) and 12]


1. Name and address of the sugar undertaking:

2. Reference Number and date of communication from Central Government/Chief Director for setting apart buffer stock:

3. Date of receipt of the communication at item 2 by the sugar undertaking:

4. Grade, sugar year and quantity (in quintals) of sugar indicated in the communication referred to at item 2 for segregating as buffer stock:

5. Particulars of Sugar Segregated and stored as buffer stock —

(i) Grade

(ii) Sugar Year

(iii) Details of quantity segregated and stored

6. Details of storage of the buffer stock —

(i) Particulars of godown(s) (indicate the number of the godown or any other identifiable description)

(ii) Number of lot(s)/stack(s)

(iii) Number of bags in each lot/stack

(iv) Type of damage provided

7. If buffer stock has been kept in part of a godown, has any distinct mark of identification been given? If so, give details thereof

8. Whether the buffer stock sugar has been insured. If so, give the name and address of the insurer, the risks covered and an attested copy of the Insurance Policy.
FORM V

[Rule 19 (16)]

(To be submitted in triplicate)

For claiming payment of subsidy towards interest and storage and insurance charges for buffer stock of sugar for the period from: ———to———quarter ending———19———

(Quantity to be indicated in quintals and amount in rupees)

1. Name and address of the sugar undertaking.

2. Reference number and date of communication(s) from Central Government/Chief Director communicating:
   (a) total quantity of sugar to be maintained as buffer stock:
   (b) Gradewise and sugar yearwise quantity of sugar to be segregated and stored as buffer stock:
   (c) Gradewise and sugar yearwise quantity of sugar actually segregated and stored as buffer stock:

3. Period wise details of quantity of sugar segregated and stored as buffer stock:

<table>
<thead>
<tr>
<th>Period</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>From</td>
<td>To</td>
</tr>
</tbody>
</table>

4. Additional credit received from the Bank on buffer stock:
   (a) Amount received with date of receipt.

5. Gradewise sugar yearwise quantity of sugar segregated and stored as buffer stock:

6. Rate specified under sub-rule (15) of rule 19 towards:
   (a) Interest (per cent per annum)
   (b) Storage and insurance charges:

7. Value of sugar provided under sub-rule (15) of rule 19.

<table>
<thead>
<tr>
<th>Month</th>
<th>Tariff value in rupees per quintal of the month</th>
</tr>
</thead>
</table>

8. (i) Calculation of subsidy on account of interest charges on the buffer stock of sugar:
   (a) amount of interest (in words and figures) actually paid to the bank for the period from ———to———quarter ended on———:
   (b) amount calculated under sub-rule (15) of rule 19.

9. (ii) Amount on account of storage and insurance charges, calculated under sub-rule (15) of rule 19.

9. Amount of subsidy claimed:
   (i) Interest charges as per item 8(i) (a) or 8(i) (b), whichever is less.
   (ii) Storage and insurance charges as per item 8(ii).
(1) I hereby solemnly affirm and declare that the information furnished above is correct and no information relevant for the purpose of this application has been concealed.

(2) I hereby undertake to refund to the Central Government such amount or subsidy received by me, as may be required, if any information furnished above is found to be wrong at any time.

Verification by the Bank which provided credit against buffer stock

Certified that the information furnished against items 4, 5 (a), (b) and (d) and 8(d) (a) above is correct.

OR

Certified that the claimant sugar undertaking did not avail of during the quarter or the period to which this claim relates any additional bank credit, over and above the normal bank credit, on the quantity of sugar segregated by it as the buffer stock, as indicated by it against items 3 and 4.

Also certified that the information furnished against items 4 and 8(d) (a) is correct.

OR

Certified that since no sugar cane price dues were outstanding against the claimant sugar undertaking during the period of this claim, the undertaking did not open a separate account with this Bank for depositing therein the amount of the additional credit of Rs. __________ given to it by this Bank on _______ on the buffer stock of sugar. However, subsequently the claimant sugar undertaking opened a separate account (No. __________) with this bank and deposited therein Rs. __________ on _______ for being utilized for payment of cane price dues which arose subsequently/may* arise in future.

Place: ____________________________
Date: ____________________________

Signature: ________________________
Bank with his name, address and seal.

*Strike out whichever certificate is not applicable.

**Strike out whichever is not applicable.

Certificate by the State Government Authority/Officer

Certified that the information furnished against item 6(c) and (e) is correct.

OR

Certified that during the period commencing from the date the additional bank credit was received as indicated against item 5(a) to _______ — (the date on which period/quarter of this claim ended) no cane price dues were outstanding against the sugar undertaking.

Place: ____________________________
Date: ____________________________

Signature: ________________________
Name: ____________________________
Designation: ________________________

THE SCHEDULE

[Rule 13(2)]

Terms and conditions for grants from the Sugar Development Fund

(1) Eligibility

Any established institution connected with the sugar industry shall be eligible for making an application for a grant under rule 18 for any research project.

(2) Form of Application:

An application for grant shall be addressed to the Committee and sent to the Member-Secretary of the Committee, together with eleven authenticated copies thereof in the proforma given in the Annexure to this Schedules.

(3) Terms and conditions of grants:

The terms and conditions of grant from the Fund shall, as far as possible, be governed by the terms and conditions of grants-in-aid from the Government under the General Financial Rules Nos. 148 to 153.

(4) Further conditions:

In addition, every individual grant from the Fund shall be subject to such further terms and conditions as may be contained in the Memorandum of Understanding as shall be signed by the Member-Secretary, Development Council for Sugar Industry on behalf of the Central Government and by the head of the applicant institution on behalf of such institution.

ANNEXURE TO THE SCHEDULE

[Clause (2) of the Schedule]

FORM OF APPLICATION FOR GRANT FOR RESEARCH SCHEMES UNDER SUGAR DEVELOPMENT FUND RULES, 1983

1. Title of the scheme:

(Give a brief but clear title of the proposed investigation. Use of words and phrases like “To investigate” or “Scheme for” should be avoided.)
1. Name and address of the applicant institution.

2. Name and address of the Head of the Department/Division of the Institution responsible for the implementation of the scheme.

3. Actual location where the research work will be carried out.

4. Information regarding Principal Investigator:
   (a) Name and designation:
   (b) Brief bio-data indicating his specialised interest particularly in relation to the proposed research work.
   (c) List of important publications in this or related field (Clearly indicate names of co-authors, if any, full title, name of journal, volume and page number).
   (e) List of other research schemes being carried out by the Principal Investigator with financial support from agencies/organisations including Central/State Governments.

5. Name of the Scheme: Title of the Scheme: Period: Amount of Grant (Rupees)

6. Research/Scientific Utility: (Indicate practical utility of the investigation including economic gains likely to accrue).

7. Review of research conducted being conducted on the subject in India and abroad:
   (a) at the applicant institution (State if any preliminary work has been done, techniques standardised, data collected etc.)
   (b) Research work done and its progress in India.
   (c) Research work done and its progress abroad.

8. Technical programme:
   (Indicate the essential phases/items of contemplated programme giving insight into the methodology and experimental techniques to be employed for executing the research scheme. Give yearwise or half yearly plan of work for appraisal of the research scheme).

9. Give details of facilities required for conducting the research scheme:
   (a) Already available and can be provided free of charge—
      (i) Laboratory & Office facilities;
      (ii) List of equipment/machinery;
   (b) Additional facilities required:
      (i) Laboratory and office facilities:
      (ii) List of equipment/machinery:

10. Information regarding other research scientists/technologists to be associated with the proposed research scheme.

11. Name and designation.

12. Brief bio-data indicating his specialised interest particularly in relation to the proposed research scheme.

13. List of important publications in this or related field (Clearly indicate names of co-authors, if any, full title, name of journal, volume and page number).

14. List of other research schemes with which he/she is/are associated which are being carried out with financial support from agencies/organisations including the Central/State Governments.

15. "Objective:" (Objectives should be precise and result-oriented, which could be achieved within a specified period of time. Also indicate briefly the importance and the relevance of the problem in the background of which the objectives have been formulated. The assumptions made and a clear-cut formulation of the basic hypotheses to be tested should also be given).

16. Practical/Scientific Utility: (Indicate practical utility of the investigation including economic gains likely to accrue).

17. Review of research conducted being conducted on the subject in India and abroad:

18. Technical programme:
   (Indicate the essential phases/items of contemplated programme giving insight into the methodology and experimental techniques to be employed for executing the research scheme. Give yearwise or half yearly plan of work for appraisal of the research scheme).

19. Give details of facilities required for conducting the research scheme:
   (a) Already available and can be provided free of charge—
      (i) Laboratory & Office facilities;
      (ii) List of equipment/machinery;
   (b) Additional facilities required:
      (i) Laboratory and office facilities:
      (ii) List of equipment/machinery:

20. Information regarding other research scientists/technologists to be associated with the proposed research scheme.

21. Name and designation.

22. Brief bio-data indicating his specialised interest particularly in relation to the proposed research scheme.

23. List of important publications in this or related field (Clearly indicate names of co-authors, if any, full title, name of journal, volume and page number).

24. List of other research schemes with which he/she is/are associated which are being carried out with financial support from agencies/organisations including the Central/State Governments.

25. "Objective:" (Objectives should be precise and result-oriented, which could be achieved within a specified period of time. Also indicate briefly the importance and the relevance of the problem in the background of which the objectives have been formulated. The assumptions made and a clear-cut formulation of the basic hypotheses to be tested should also be given).

26. Practical/Scientific Utility: (Indicate practical utility of the investigation including economic gains likely to accrue).

27. Review of research conducted being conducted on the subject in India and abroad:

28. Technical programme:
   (Indicate the essential phases/items of contemplated programme giving insight into the methodology and experimental techniques to be employed for executing the research scheme. Give yearwise or half yearly plan of work for appraisal of the research scheme).

29. Give details of facilities required for conducting the research scheme:
   (a) Already available and can be provided free of charge—
      (i) Laboratory & Office facilities;
      (ii) List of equipment/machinery;
   (b) Additional facilities required:
      (i) Laboratory and office facilities:
      (ii) List of equipment/machinery:

30. Information regarding other research scientists/technologists to be associated with the proposed research scheme.

31. Name and designation.

32. Brief bio-data indicating his specialised interest particularly in relation to the proposed research scheme.

33. List of important publications in this or related field (Clearly indicate names of co-authors, if any, full title, name of journal, volume and page number).

34. List of other research schemes with which he/she is/are associated which are being carried out with financial support from agencies/organisations including the Central/State Governments.
10. Duration:
   (It shall be normally for a period of three years and in no case shall it go beyond five years including extension, if any granted).

11. Estimates of costs:
   (Make itemwise estimates for the total period of the scheme giving details as indicated below)—
   (The posts should be provided in the scale of pay prevalent in the applicant institution/State Government or similar posts. The provision for pay and allowances should be made only at the initial pay of the scale).

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Post</th>
<th>Scale of pay</th>
<th>No. of posts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1st year</td>
<td>2nd year</td>
</tr>
</tbody>
</table>

(1) Pay of Officers:

(2) Pay of Establishment:
   (Expenditure on supporting staff, such as Laboratory Assistants, Helpers, Clerks, etc., will not be normally provided from the Fund)

(3) Allowances and Honorary:
   (i) Dearness allowance
   (ii) House Rent
   (iii) City Compensatory allowance
   (iv) Other allowances (to be specified)
   (v) Travelling allowance

12. Contingencies:
   (a) Recurring
   (b) Non-recurring
   (c) Total
   (d) Share to be contributed by the Sugar Development Fund.
   (e) Share of the Applicant Institution.

13. Receipts estimated:
   (Please indicate the approximate receipts as a result of working of the Scheme).

14. CERTIFIED THAT—

(a) The research work proposed in the scheme does not in any way duplicate the research work already done or being carried out elsewhere on the subject.

(b) The scale of pay, allowances, etc., proposed above are those admissible to persons of corresponding status employed under........

(c) The present scheme cannot be combined with any scheme financed by the applicant institution/State Government, universities or private institutions out of their own funds.

(d) Necessary provision for the scheme will be made in the........... (name of applicant institution’s) budget in anticipation of the selection of the scheme by the Central Government.

(e) The information furnished above is correct.

15. If we undertake to abide by the terms and conditions as may be prescribed by the Central Government.

If we undertake to execute a Memorandum of Understanding incorporating the terms and conditions as may be prescribed by the Central Government.

Signature:
Name:
Designation:
Date:

[Signature]
C. P. SETH, Dy. Secy. (DF)
Central Government hereby substitutes the following rules for amendment the Sugar Development Fund Rules, 1923 namely:

1. Short title and commencement.—(1) These rules may be called the Sugar Development Fund Amendment Rules, 1951.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In rule 2 of the Sugar Development Fund Rules, 1923 (hereinafter referred to as the said rules), in clause (a), for the word " Act", the word "sugar" shall be substituted.

3. In rule 19 of the said rules—

(i) sub-rule (5) shall be omitted;

(ii) for sub-rule (7), the following sub-rule shall be substituted, namely:

"(7) Every acceptance of a sugar factory shall state the buffer stock against such risks as may be required by the Bank with which the buffer stock is pledged for the purpose of securing loan, as also from floods where the premises of the sugar undertaking are ordinarily exposed to the risk of floods:

Provided that where the security of a sugar factory has not pledged the buffer stock with a Bank, the State Government Officer shall ensure the buffer stock against destruction or damage by:

(a) fire;

(b) explosion of boiler used for domestic purposes only;

(c) lightning;

(d) explosion of gas used for domestic purposes or for lighting, heating or forming part of any gas works or any similar plant;

(e) floods where the premises of the sugar undertaking are ordinarily exposed to the risk of floods."

(j) in sub-rule (14),—

(i) for the words "in every sugar factory", occurring at two places, the words "in every sugar factory" shall be substituted;

(ii) in clause (a), after the words "quantity of sugar", the words "or a part thereof shall be inserted;

(iii) in clause (b), for the words "by it" the words "the buffer stock shall be substituted;

(iv) in clause (c), for the words "maintained" the words "maintained the buffer stock shall be substituted;

(v) in the first proviso,—

(i) after the word "Provided" the word "further" shall be inserted;

(b) after the words "whatsoever is less" the words "subject to the condition that where the amount of interest charges actually paid or payable by the sugar undertaking is lower, it shall, where necessary, further be restricted to the amount calculated at the maximum rate of bank interest fixed by the Reserve Bank of India in the behalf but not exceeding the rate of 15% per annum" shall be added; and

(vi) before the proviso so substituted the following proviso may be inserted, namely:

"Provided that where a sugar factory has not pledged the buffer stock with any scheduled bank, subsidy on account of storage and insurance charges may be authorized for payment by the Central Government at an indefinite period not exceeding the rate of 15% of the buffer stock, but not exceeding the rate of 15% of the buffer stock, but not exceeding the rate of 15% of the buffer stock."

4. In Form I of said rules, in item 8, the words, brackets and letters "under clause 5(b), (c) and (f) of the Schedule" shall be omitted.

5. Form IV of the said rules shall be omitted.

6. In Form V of the said rules,—

(i) the brackets and words "if be submitted in triplicate" below the heading shall be omitted.
(vi) after item 9, the following item shall be inserted, namely—

"(vii) in the Declaration, after paragraph (2), the following shall be inserted, namely—

"(2) I hereby declare that all the requirements of rule 19 have been complied with and that if subsequently it is found that any provision of that rule has not been complied with, I undertake to refund to the Central Government such amount of subsidy received by me as may be required by the Central Government;"

(viii) at the end of the third alternative form of verification to be given by the Bank, after the words "item in future" the following sub-paragraph shall be inserted, namely—

"(iv) in the form relating to "Receipt", after the word "signature" for the brackets and words "across a revenue stamp" shall be submitted.

In No. 14-1/82-SDF-I Vol. VII
C. P. Seth, Dy. Secy.
G.S.R. 752(E) dated 27th September, 1983.
THE GAZETTE OF INDIA : EXTRAORDINARY

PART II—SEC. 36

MINISTRY OF FOOD & CIVIL SUPPLIES

(Department of Food)

New Delhi, the 14th November, 1985

NOTIFICATION

G.S.R. 838(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These Rules may be called the Sugar Development Fund (Second Amendment) Rules, 1985.

(2) They shall come into force on the date of their publication in the official Gazette.

2. In the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said Rules), in clause (g) of rule 2, the following shall be inserted at the end, namely:

“or the Industrial Reconstruction Bank of India established under section 3 of the Industrial Reconstruction Bank of India Act, 1984 (62 of 1984)”.

3. In rule 16 of the said Rules,—

(i) in sub-rule (9)—

(a) in clause (ii), the portion beginning with the words “and shall, as far as possible, be identical to the terms and conditions” and ending with the words “on the lines of the terms and conditions of the agreement relating to the said scheme” shall be omitted;

(b) after clause (ii), the following clauses shall be inserted, namely:

“(iii) The loan from the Sugar Development Fund will carry a concessional rate of interest of ten per cent. per annum in case of any default in payment, or in case of any instalment thereof in interest thereon, an additional interest at the rate of two and half per cent. per annum on the amount of default shall be payable by the sugar undertaking.

(iv) The repayment of loan under this rule together with interest thereon shall commence after the expiry of one year from the date of repayment/payment of institutional loan and interest thereon in full or on the expiry of a period of eight years reckoned from the date of disbursement of fund loan, whichever is earlier and loan from the fund along with interest due thereon shall be recoverable in annual instalment not exceeding five in number.”;

(ii) sub-rule (10) shall be omitted.

4. In rule 17 of the said rule,—

(i) in sub-rule (1), after the existing proviso, the following proviso shall be inserted, namely:

“Provided further that the loan from the Fund shall be granted only if the Sugar Undertaking or the State Government contributes a minimum of 10 per cent. of the loan applied for from its own resources as margin money.”;

(ii) in sub-rule (3), for clause (a), the following clause shall be substituted, namely:

(a) The amount of loan advanced under rule shall carry a concessional rate of simple interest of 6 per cent. per annum and the repayment of the loan shall commence on the expiry of maximum of three years reckoned from the date of disbursement of the said loan and shall be repaid in equal annual instalments not exceeding four in number and the interest on the loan shall be paid annually after the expiry of one year from the date of drawal of loan.”

[No. 1-2[84-SDF-I]

GURDEV SINGH, Dy. Secy. (SF)
MINISTRY OF FOOD & CIVIL SUPPLIES
(Department of Food)
NOTIFICATION
New Delhi, the 6th May, 1988

G.S.R. 551(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rule to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 1988.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In (hereinafter referred to as the said rules) the Sugar Development Fund Rules, 1983 in clause (g) of rule 2, the following shall be inserted at the end, namely:—“or the National Cooperative Development Corporation, set up under the National Co-operative Development Corporation Act, 1962 (26 of 1962)”,

3. (1) In the first proviso in sub-rule 1 of rule 18 of the said rules for the words “Development Council for Sugar Industry” the words “the Standing Research Advisory Committee of the Development Council for Sugar Industry” shall be substituted.

(2) The second proviso shall be omitted.
G.S.R. 235(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 1991.
(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), in rule 17, in sub-rule (3), in clause (a), for the figure and words "6 per cent", the figure and words "9 per cent" shall be substituted.

3. In rule 17 of the said rules, in sub-rule (3), in clause (a), for the figure and words "6 per cent", the figure and words "9 per cent" shall be substituted.

[No. 1-5/91-SDF]

LOVELEEN KACKER, Dy. Secy.

*Note:—The Sugar Development Fund Rules 1983 read with the following amendments published in the Gazette of India, Extraordinary, Part II, Section 3:—

(i) GSR 817(E), dated December 20, 1984.
(ii) GSR 838(E), dated November 11, 1985.
(iii) GSR 551(E), dated May 6, 1988.*
New Delhi, the 28th April, 1992

G.S.R. 441(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 1992.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), in rule 16, after sub-rule (6), the following proviso shall be inserted, namely:

"Provided further that the Central Government shall authorise payment of the said loan only to such sugar undertakings who have fully repaid all the sums due in respect of the Sugar Development Fund and Levy Sugar Price Equalisation Fund."

3. In rule 17 of the said rules, in sub-rule (1), after the second proviso, the following proviso shall be inserted, namely:

"Provided further that the Central Government shall authorise payment of the said loan from the Fund only to such sugar undertakings which have fully repaid all the sums due in respect of the Sugar Development Fund and Levy Sugar Price Equalisation Fund."

[File No. 1-4/92-SDF]
S. K. TRIPATHI, Jt. Secy.

Foot Note : The principal rules were published in the Gazette of India vide No. GSR 752(E), dated the 27th September, 1983 and subsequently amended vide No.
(1) GSR 817(E), dated the 20th December, 1984;
(2) GSR 838(E), dated the 11th November, 1985;
(3) GSR 551(E), dated the 6th May, 1988; and
(4) GSR 233(E), dated the 24th April, 1991.
THE GAZETTE OF INDIA : EXTRAORDINARY

3. (1) Under Section 72 of the Motor Vehicles Act, 1988, any motor vehicle in respect of which exemption is being claimed under paragraph 72J of the Rules of 1994, shall be put to test by the prescribed agency.

The following notifications are hereby amended accordingly:

(1) S. of O. No. 317/84, dated 20 January, 1984
(2) S. of O. No. 818/85, dated 11 February, 1985
(3) S. of O. No. 553/85, dated 6 March, 1985
(4) S. of O. No. 235/84, dated 24 April, 1984
(5) S. of O. No. 444/85, dated 28 April, 1985

MINISTRY OF FOOD
NOTIFICATION

New Delhi, the 6th May, 1994

G.S.R. 435(E) -- In exercise of the powers conferred by Section 72 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government, hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 1994.
shall come into force on the date of their publication in the Official Gazette.

The Sugar Development Fund Rules, 1983, (hereinafter referred to as "the Rules"), in sub-rule (1) of rule 7, for the words and figures "Rules 16, 17, 18 and 19A" shall be substituted.

After rule 12 of the said rules, the following rule along with chapter VII A shall be inserted:

Chapter VII A

Payment of other expenses for development of sugar industry.

The Central Government may, after consultation with the Committee, defray expenses and authorise payment of amounts for establishment, and maintenance of Institutions at the national level for training, extension and research programmes connected with the development of Sugar Industry.

[File No. 1-21,93-SDF]
S.K.Tripathi, M. Secy.

Note: The principal rules were published in the Gazette of India vide No. GSR 752(E), dated the 27th September, 1983 and subsequently amended vide No.
1. GSR 817(E) dated the 20th December, 1984.
2. GSR 838(E), dated the 11th November, 1985;
3. GSR 551(E), dated the 6th May, 1988;
4. GSR 235(E), dated the 24th April, 1991; and
5. GSR 441(E), dated the 28th April, 1992.
MINISTRY OF FOOD
(Department of Food)
NOTIFICATION

New Delhi, the 12th January, 1996

G.S.R. 27(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1983), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules 1995.

2. In rule 2 of the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), after clause (6), the following shall be inserted, namely:

"(60) "Technology Information, Forecasting and Assessment Council" (TIFAC) means a body registered under the Societies Registration Act, 1860 (XXI of 1860)."

3. In rule 16 of the said rules—

(1) in sub-rule (1) after the words "its relevant scheme", the words "or sponsored by the Technology Information Forecasting and Assistance Council, in respect of the scheme Mission Mode Project on Sugar Production Technologies of the Department of Science and Technology" shall be inserted;

(2) for sub-rule (6), the following shall be substituted, namely:

"(6) the Central Government may, after consideration of the recommendation of the Committee and any other relevant factor, authorise payment to a sugar undertaking of such amount of loan, not exceeding the amount required by the financial institution to be contributed by such sugar undertaking or promoter's contribution, as may be determined by the Central Government.

4. For the projects sponsored by Technology Information, Forecasting and Assessment Council (TIFAC) the Central Government may, after consideration of the recommendation of the Committee and other relevant factors, authorise payment to a sugar undertaking of such amount of loan not exceeding the amount recommended by the Technology Information, Forecasting and Assessment Council (TIFAC) may be determined by the Central Government:

Provided that the amount of loan from the fund shall not exceed sixty per cent of the eligible project cost.

Provided further that the scheme of loan so sanctioned under clause (b) shall be co-terminous with the duration of 'Mission Mode Project Scheme on Sugar Production Technologies' of Department of Science and Technology:

Provided also that the loan from the fund shall be granted only if the sugar undertaking contributes a minimum of ten per cent. of the loan applied for, from its own resources as promoter's contribution subject to the financial appraisal of the project sponsored by the Technology Information, Forecasting and Assessment Council (TIFAC) which shall be undertaken by financial institution, for which the requisite service charges shall be borne by the Ministry of Science and Technology. The project of the sugar undertaking covered under Technology Information, Forecasting and Assessment Council, (TIFAC) shall be for the purpose of modernisation of plant and machinery and such sugar undertaking shall not be allowed any incentives applicable for expansion project.

Provided further that the Central Government shall authorize payment of the said loan under clause (a) and (b) only to such sugar undertakings which have fully repaid all the sums due in respect of Sugar Development Fund and Levy Sugar Price Equalization Fund:

3. (i) in clause (iii), of sub-rule (6), after the word "ten", the word "ten" shall be inserted.

"Provided that for the projects approved by a financial institution and for the projects sponsored by the Technology Information, Forecasting and Assessment Council, six per cent per annum" shall be inserted.

4. In Form II, items VIII, IX, X and XI after the word "Institutions", the words "Technology Information, Forecasting and Assessment Council (TIFAC)" shall be inserted.

F. No. 1-2/91(SIDT)

NAVIN KUMAR, J. Secy.

Foot Note.—The principal rules were published in the Gazette of India No. GSR 752(E), dated 27th September, 1983 and subsequently amended vide number:—

(i) GSR 817(E), dated the 20th December, 1984.

(ii) GSR 838(E), dated the 11th November, 1985.

(iii) GSR 551(E), dated the 6th May, 1988.

(iv) GSR 235(f), dated the 24th April, 1991.

(v) GSR 441(E), dated the 28th April, 1992.

(vi) GSR 425(E), dated the 6th May, 1994.

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and Published by the Controller of Publications, Delhi-110054, 1996
8. का पूर्वलीक्ष पाइये विविध निधि प्राप्त, क्रम में से कुल अतिशय बकाया है, यदि हो तो कितने रकम
9. विविध तीन वर्षों में एकता को विविध प्राप्ति (कुल लापताली
उपदेशक करि।)

(अधिसूचना/उपग्रह हेने बांध के हसारह)

[भाषा: ।-5/97-एस.डी.-एक.] गजिया, मुरूदा, संगणक सरकार

NOTIFICATION

MINISTRY OF FOOD AND CONSUMER AFFAIRS
(Department of Sugar and Edible Oils)

New Delhi, the 21st November, 1997

G.S.R. 656(E) In exercise of the powers conferred by section 9 of the Sugar

Development Fund Act, 1982 (4 of 1983), the Central Government hereby makes the
following rules further to amend the Sugar Development Fund Rules, 1983, namely:-

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules,
1997.

(2) They shall come into force on the date of their publication in the Official
Gazette.

2. In the Sugar Development Fund Rules, 1983,___

(i) In Chapter VI, after rule 17, the following rule shall be inserted,
namely :-

“Loan for providing inputs for Sugarcane Development

17.A (1). The Central Government may, after taking into consideration the
recommendations of the Committee and any other relevant factor, accord sanction
to the payment of a loan for a period of two years from the Fund to a Sugar
undertaking in connection with the development of sugarcane in its area for the
following purposes, namely:

(a) Purchase of Seeds;
(b) Purchase of fertilizers;
(c) Purchase of Pesticides.

(2) The application for loan under this rule shall be submitted by the sugar undertaking in Form III-A to the Committee.

(3) The sanctioned loan shall be passed on to the sugarcane growers in the command area of the mill under a scheme formulated by the mills. The terms and conditions of the loan, as specified by the Central Government, and applicable to the mills, shall, without modification, apply to the beneficiary sugarcane farmers.

(4) The loan under this rule shall be of the following order:

(i) Upto Rs. 50.00 lakhs for factories upto 2500 Tonnes Crushed Per Day (Installed Capacity);
(ii) Upto Rs. 75.00 lakhs for factories with capacity between 2501-3500 Tonnes Crushed Per Day (Installed capacity);
(iii) Upto Rs. 1.00 crore for factories with capacity between 3501-5000 Tonnes Crushed Per Day (Installed capacity);
(iv) Upto Rs. 1.50 crores for factories with capacities beyond 5001 Tonnes Crushed Per Day and upto 10,000 Tonnes Crushed Per Day (Installed Capacity).

(5) The loan shall be granted only if the sugar undertaking contributes a minimum of ten percent of the loan applied for from its own resources as margin money.
(6) The Central Government shall authorise payment of the above loan from the Fund only to those sugar undertakings who have repaid all the sums which have become due to the Fund at the time of disbursement of the above loan.

(7) The loan shall be disbursed directly to the Sugar undertaking after it has executed a Bipartite Agreement on such terms and conditions as the Central Government may decide including provisions for monitoring, by a committee with representatives of Indian Sugar Mills Association, National Federation of Cooperative Sugar Factories Ltd., the concerned sugar mill, local State Government functionary and representatives of the sugarcane growers, of the utilisation of the loan, the progress of the scheme for which the loan is granted, repayment of the loan with interest thereon and remittance to the credit of the Fund.

(8) The loan granted under this rule shall carry a concessional rate of simple interest of nine percent per annum.

(9) There shall be no moratorium for repayment of the loan.

(10) The loan together with interest thereon shall be repaid in four half yearly installments i.e. in a total period of two years from the date of disbursement.

(11) In case of any default in repayment of the amount of the loan or interest thereon in accordance with the provisions of the bipartite agreement executed under sub-rule (7), an additional interest at the rate of two and a half percent per annum on the amount of default shall be payable by the Sugar undertaking.
(12) In case of default in repayment of principal or interest due, the Central Government may deduct the said overdues from any claim of the sugar mill pending with the Central Government.

(ii) After FORM - III and the entries relating thereto, the following FORM shall be inserted, namely:

"FORM - IIIA
[ Rule 17 - A (2) ]

APPLICATION FOR LOAN FOR SEEDS, FERTILIZERS AND PESTICIDES UNDER CANE DEVELOPMENT FROM SUGAR DEVELOPMENT FUND (SDF)

1. Name of the Mill and Address
   (a) Date of installation
   (b) Sector
   (c) Crushing Capacity (TCD)
      (i) Licensed
      (ii) Installed

2. Quantity of cane availability, crushed during the preceding three sugar seasons.

3. Items for which loan is applied for
   (Please attach Board Resolution, if any).

4. Physical targets, item wise, (quantity of input and area covered)
   1. 2. 3. 4.

5. Estimated expenditure under scheme
   1. 2. 3. 4.
6. Amount of loan applied for, item wise.

7. Whether Cane development/modernisation loan applied/availed of from SDF earlier, if so, the year of sanction/release of loan (Give details)

8. Whether any overdues are outstanding against the previous SDF loan. If yes, what amount.

9. Financial status of unit for last 3 years (please indicate Net profit/Loss)

(Signature of Occupier/Borrower)


[File No. 1-5/97-SDF]
SURENDRA KUMAR, Jt. Secy.
G.S.R. 91(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (3 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1981, namely—

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2001.

   (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983. (hereinafter referred to as the said rules), in rule 16,—

   (i) below sub-rule (1) and before the first proviso, the following proviso shall be inserted, namely:

   “Provided that a Sugar Undertaking that has availed of a loan under this Rule shall be eligible for loan only on one occasion during the period in which the previous loan under this rule alongwith interest thereon has not been fully repaid.”

   (ii) in sub rule (6), after clause (b) in fourth proviso for the words “all the sums due”, the words “all the sums which have become due” shall be substituted.

3. In rule 17 of the said rules:

   (i) below sub-rule (1) and before the first proviso, the following proviso shall be inserted, namely:

   “Provided that the Central Government may accord sanction for a loan under this rule to a Sugar Undertaking only on one more occasion during the period in which the previous loan under this rule alongwith the interest thereon has not been fully repaid.”

   (ii) in sub rule (1), in third proviso, for the words “all the sums due”, the words “all the sums which have become due” shall be substituted.

[F. No. 1-10/99-SDF]
R. N. DAS, Jt. Secy.

Note: The principal rules were published in the Gazette of India vide No. GSR 752 (E) dated 28-9-83 and subsequently amended vide GSR 820 (E) dated 20-12-84, GSR 878 (E) dated 14-11-85, GSR 551 (E) dated 6-5-88, GSR 235 (E) dated 24-4-91, GSR 441 (E) dated 28-4-92, GSR 435 (E) dated 6-5-94, GSR 27 (E) dated 12-1-96 and GSR 656 (E) dated 21-1-1997.
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Department of Food and Public Distribution)
NOTIFICATION
New Delhi, the 6th December, 2001

G.S.R. 88(2).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983 namely :

1. (1) These rules may be called the Sugar Development Fund (Second Amendment) Rules, 2001.
(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), in rule 19, after sub-rule (13), the following sub-rule shall be inserted, namely :—

"(13 A) Maintenance of funds received by way of subsidy towards interest, storage and insurance and utilisation thereof;

(a) Every occupier of a sugar factory shall set apart the amount, if any, received from the Central Government by way of subsidy towards interest, storage and insurance on the quantity of buffer stock of sugar and credit the amount so set apart to a separate account with his banker with whom he has a separate account under clause (a) of sub-rule (13), for the purpose provided in clause (b) of this sub-rule.

(b) The amount credited to the separate account shall not be used by the said occupier for any purpose other than for payment of price, payable for the sugarcane purchased by the sugar factory;

Provided that where the State Government Authority/ officer furnishes a certificate in Form VI to the banker referred to in clause (a) above to the effect that the concerned sugar factory has no sugarcane price dues including arrears of price outstanding against it on the date of credit of the amount of subsidy towards interest, storage and insurance into the separate account, the bank may allow the said occupier to use the said amount for any other purpose under intimation to the Central Government."
3. In the said rules for Form V, the following shall be substituted, namely:

FORM - V
[Rule 19 (24)]

Form for claiming payment of subsidy towards, interest and storage and insurance charges for buffer stock of sugar for the period from _____________ to _____________ / quarter ending _____________

(Quantity to be indicated in quintals and amount in rupees)

1. Name and address of the sugar undertaking
2. Reference number and date of communication(s) from Central Government/Chief Director communicating
   a) Total quantity of sugar to be maintained as buffer stock
   b) Gradewise and sugar year-wise quantity of sugar to be segregated and stored as buffer stock.
3. Gradewise and sugar year-wise quantity of sugar, actually segregated and stored as buffer stock.
4. Period-wise details of quantity of sugar segregated and stored as buffer stock
5. Additional credit (margin money) received from the Bank on buffer stock
   a) Amount received with date of receipt
   b) Amount out of (a) kept in separate Bank Account with number of the Account
   c) Amount out of (b) actually utilised for payment of cane price
   d) Balance [(b) minus (c)] at the close of last date of the period/quarter of the claim
   e) Reasons for non-utilisation of the amount at (d)
5. A Particulars of the insurance policy under which the buffer stock is insured
   (1) Name and address of the Insurance Company
   (2) Number of Insurance Policy
   (3) Period of Insurance
   (4) Risks covered
   (5) Godown No(s) where the buffer stock is stored

5.B Subsidy towards interest, storage and insurance received from the Central Government on buffer stock

(a) Amount received with date of receipt
(b) Amount of (a) kept in separate Bank Account with number of the Account
(c) Amount out of (b) actually utilised for payment of cane price
(d) Balance [(b) minus (c)] at the close of quarter of claim/last date of claim
(e) Reasons for non-utilisation of amount in (d)

6. Rate specified under sub-rule (15) of rule 19 towards:
   (a) Interest (percent per annum)
   (b) Storage and insurance charges (percent per annum)
7. Value of sugar provided under sub-rule (15) of rule 19

<table>
<thead>
<tr>
<th>Month</th>
<th>Tariff value in rupees per quintal</th>
<th>Sale realisation</th>
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<td>(a) Quantity disposed of in quintals</td>
<td>(b) Amount of sale realisation in rupees</td>
</tr>
<tr>
<td>(i)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(iii)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average tariff value/weighted average realisation

Rupess per quintal.

8. (i) Calculation of subsidy on account of interest charges on the buffer stock of sugar

(a) Amount of interest actually paid or payable to the bank for the period from __________ to __________

<table>
<thead>
<tr>
<th>Period</th>
<th>Principal amount of advance</th>
<th>Rate of interest</th>
<th>Amount of interest Paid/Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>From</td>
<td>To</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(b) amount calculated under sub-rule (15) of rule 19

(ii) Amount on account of storage and insurance charges, calculated under sub-rule (15) of rule 19.

9. Amount of subsidy claimed

(i) Interest charges as per item 8 (i) (a) or 8 (i) (b), whichever is less.

(ii) Storage and insurance charges as per item 8 (ii)

(iii) Total of (i) and (ii) rounded off to the nearest rupee, in figures and words.
10. Name of the place nearest to the place of the factory, where the branch of the State Bank of India dealing with the Demand Drafts issued by the Reserve Bank of India is situated.

Signature:

The occupier
Name:
Designation:

Place:
Date:
Name and address of the Sugar Undertaking

DECLARATION

(1) I hereby solemnly affirm and declare that the information furnished above is correct and no information relevant for the purpose of this application has been concealed.

(2) I hereby undertake to refund to the Central Government such amount of subsidy received by me, as may be required, if any information furnished above is found to be wrong at any time.

(3) I hereby declare that all the requirements of the rule 19 have been complied with and that if subsequently it is found that any provision of that rule has not been complied with, I undertake to refund to the Central Government such amount of subsidy received by me, as may be required by the Central Government.

Signature:

The occupier
Name:
Designation:

Place:
Date:
Name and address of the Sugar Undertaking

Verification by the Bank which provided credit against buffer stock and with which the occupier of the sugar factory has opened a separate account under sub-clause (13)(ii).

* Certified that the information furnished against items 4, 5 (c). correct.

OR
Certified that the claimant sugar undertaking did not avail of during the quarter in the period to which this claim relates any additional bank credit, over and above the normal bank credit, on the quantity of sugar segregated by it as the buffer stock, as indicated by it against items 3 and 4.

OR

Also certified that the information furnished against items 4 and 8(i) (a) is correct.

OR

* Certified that since no sugarcane prices dues were outstanding against the claimant sugar undertaking during the period of this claim, the undertaking did not open a separate account with this Bank for depositing therein the amount of the additional credit of Rs. ....................... given to it by this Bank on ......................... on the buffer stock of sugar. However, subsequently the claimant sugar undertaking opened a separate account (No. .........................) with this bank and deposited therein Rs. ......................... on ......................... for being utilised for payment of cane price dues which may arise subsequently/may arise in future.

Also certified that the information furnished against items 4, 5(a), (b) and (d) and 8(i) (a) is correct.

Signature of the Manager of the Bank with his name, address and seal.

Place:

Date:

* Strike out wherever certificate is not applicable

AND

Verification by the Bank in respect of the subsidy towards interest, storage and insurance that has been credited into a separate account with the Bank.

(i) Certified that the information furnished against items 4, 5B(a), (b) and (d) and 8(i) (a) above is correct.
(ii) Certified that the claimant sugar undertaking has opened a separate bank account number .................................. on ................................ (date) with this bank and has deposited an amount of Rs. ................................ therein on ................................ (date) received by it as subsidy towards interest, storage and insurance.

Also certified that out of the said amount of Rs. ................................ deposited into the said account Rs. ................................ have been paid by the claimant sugar undertaking towards cane price dues including arrears of cane prices.

Also certified that on the basis of the certificate of the State Government Authority/officer dated ................................ (enclosed in original), the claimant sugar undertaking did not have any cane price dues including arrears of cane prices on the date of crediting the subsidy amount into the separate bank account and accordingly the claimant sugar undertaking has been allowed to use an amount of Rs. .................................. for any other purpose.

Signature of the Manager of the Bank with his name, address and seal.

Place:
Date:

Certificate by the State Government Authority/officer.

* Certified that the information furnished against item 5(c) and (e) is correct.

OR

* Certified that during the period commencing from the date of the additional Bank credit was received as indicated against item 5(a) to .................................. (the date on which period/quarter of this claim ended) no cane price dues were outstanding against the sugar undertaking.

Signature:
Name:
Designation and Address

[To be signed by the District Cane Officer or a Gazetted Officer of the State Government who is responsible for enforcement and supervision of payment of price of sugarcane by the sugar undertaking]
Strike out whichever certificate is not applicable.

Certificate by the State Government Authority/Officer in respect of the subsidy towards interest, storage and insurance.

(i) Certified that the information furnished against items 5B (c) and (e) is correct.

(ii) Certified that during the period from the date the subsidy towards interest, storage and insurance was received by the claimant sugar undertaking as indicated against items 5B (a) to ................................ (the date on which period/quarter of this claim ended) Rs. ................................ were outstanding against claimant sugar undertaking towards cane price dues including arrears of cane prices/no cane price dues including arrears of cane prices were outstanding.

Place:                      Signature:
Date:                      Name:

[To be signed by the District Cane Officer/Gazetted Officer of the State Government who is responsible for supervision of payment of price of sugarcane by the sugar undertaking]

RECEIPT

Received the sum of Rs. .................................................................
Rupees .................................................................

Signature (across a Revenue Stamp)

The Occupier                      Name:
Designation

Place:                      Name and address of the sugar undertaking:
Date:

4. After Form V and before "THE SCHEDULE" the following Form VI shall be inserted:

FORM VI
[Rule 19 (13A) (b)]

Certified that during the period ending ............................................. (date of crediting the subsidy amount into the separate account No. .................................................... ) of .......................................................... (bank), no cane price dues including arrears of cane price were outstanding against .......................................................... (name and address of the sugar undertaking)

Signature:
Name:
Designation and address:

[To be signed by the Cane Commissioner or a Gazetted Officer of the State Government who is responsible for enforcement and supervision of payment of price of sugarcane by the sugar undertaking]

[F. No. 1-7/2001-SDF]
R. N. DAS, Jt Secy.

Note: The principal rules were published in the Gazette of India vide No. GSR 752 (E) dated 28.9.83 and subsequently amended vide GSR 817 (E) dated 20.12.84, GSR 838 (E) dated 14.11.85, GSR 551 (E) dated 6.5.88, GSR 235 (E) dated 24.4.91, GSR 441 (E) dated 28.4.92, GSR 435 (E) dated 6.5.94, GSR 27 (E) dated 12.1.96. GSR 636 (E) dated 21.11.1997 and GSR 91 (E) dated 12.02.2001.
MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 21st June, 2002

G.S.R. 442(E).—In exercise of the powers conferred by Sub-section (2) of Section 1 of the Sugar Development Fund (Amendment) Act, 2002 (10 of 2002), the Central Government hereby appoints the 21st day of June, 2002 as the date on which the said Act shall come into force.

[FR No. 1-2002-SD]

R N DAS, J. Secy.
NOTIFICATION

New Delhi, the 21st June, 2012

G.S.R. 443(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely—

(1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2012.

(2) They shall come into force on the date of their publication in the Official Gazette.

In the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), after CHAPTER-VIII relating to Buffer Stock, the following CHAPTER-IX shall be inserted, namely:

"CHAPTER-IX
Defraying Expenditure on Internal Transport and Freight Charges to the sugar factories on export shipments of sugar.

20. (1) The Central Government may, having regard to the stock of sugar held by the sugar factories, prospects of sugar production and requirement of sugar for consumption in the country, domestic and international prices of sugar and such other factors as may be considered necessary, and after consultation with the Committee, decide, from time to time, to defray expenditure on internal transport and freight charges to sugar factories on export shipments of domestically manufactured sugar with a view to promoting its export for such period as it deems proper."
(2) Subject to the decision of the Central Government under sub-rule (1), the expenditure on internal transport and freight charges on export shipments shall be defrayed from the Fund.

(3) Any sugar factory which after obtaining release order issued under clause 5 of the Sugar (Control) Order, 1966, has transported its manufactured sugar for export shipments, and the same has been exported either by the sugar factory or through an exporter, shall be eligible to apply for reimbursement of expenditure incurred on the internal transport and freight charges on such export shipments of sugar.

Explanation I. Where a sugar factory has delivered the export consignment of sugar ex-factory to an exporter and the exporter has, after complying with the legal requirements exported the sugar, it shall be construed to be an export of sugar by that sugar factory through an exporter and that sugar factory shall be eligible for reimbursement of expenditure incurred on internal transport and freight charges on such export shipments of sugar, provided that the agreement entered into by the sugar factory with the exporter of sugar stipulates that the expenditure on internal transport and freight charges shall be borne by that sugar factory.

Explanation II. Where a sugar factory has exported sugar through an exporter, the customs attested Export Promotion (EP) copy of the Shipping Bill shall indicate the name of the exporter as well as that of the sugar factory.

Explanation III. An exporter means a person who holds an Importer-Exporter Code number allotted to him by the Director General of Foreign Trade of the Central Government.

(4) A sugar factory eligible under sub-rule (3) shall prefer a claim for reimbursement of expenditure incurred on the internal transport and
freight charges on export shipments of sugar in Form VI within thirty days of the issue of Bank Certificate of Export and Realisation as given in Appendix 22 of the Handbook of Procedure (Vol.1) for the period 1st April, 2002 - 31st March 2007 issued by the Central Government in the Ministry of Commerce and Industry, Department of Commerce.

Provided that if a sugar factory fails to prefer the claim within the thirty days, such sugar factory may submit the claim in another thirty days but there shall be late cut at the rate of 10% on the entitlement and no claim shall be entertained after expiry of sixty days from the issue of the said Bank Certificate.

(5) The claim referred to in sub-rule (4) shall be accompanied by the following documents failing which the claim, in the absence of valid reason, shall be disallowed:

(a) a certified copy of the release order issued under clause 5 of the Sugar (Control) Order, 1966;

(b) a certified copy of the contract entered into by the sugar factory with the exporter where the sugar factory itself is not the exporter;

(c) a certified copy of the Application made for Removal of Excisable Goods (FORM A.R.E. 1) certifying that the consignment of sugar has been shipped of;

(d) a certified copy of customs attested Export Promotion (EP) copy of the Shipping Bill;

(e) a certified copy of the Bank Certificate of Export and Realisation as given in Appendix 22 of the Handbook of Procedure (Vol.1) for the period 1st April, 2002 - 31st March 2007 issued by the Central Government in the Ministry of Commerce and Industry, Department of Commerce.
(f) a certified copy of the distance Certificate issued under in sub-rule (2) regarding the distance between the sugar factory and the loading railhead.

(g) a certified copy of the railway freight receipt from loading railhead to railhead nearest to the port.

(h) a certified copy of the certificate of railway freight chargeable as specified in sub-rule (9).

(i) a certified copy of the certificate issued by the port authorities certifying the distance between the railway station nearest to the port and loading point at the port as specified in sub-rule (10).

(j) a certified copy of the receipt and challan of the road transporter indicating the vehicle number and quantity transported where the sugar factory has transported the export consignment of sugar by road.

(6) A sugar factory shall be free to transport export consignment of sugar either by rail or road or both but the reimbursement of expenditure shall be restricted in the manner prescribed in sub-rule (7).

(7) The reimbursement of expenditure on internal transport and freight shall be restricted as under:

(i) for the distance from sugar factory to the nearest loading railhead, the transportation rate as specified in the Sugar (Price Determination for Production) Order of the relevant sugar season.

(ii) for the distance from loading railhead nearest to the sugar factory to the railhead nearest to the port, the railway freight by the shortest route.

(iii) for the distance from railhead nearest to the port to the point of loading at port, the transportation rate as specified in the Sugar...
(Price Determination for Production) Order of the relevant sugar season.

(iv) Where a sugar factory has preferred to transport export consignments of sugar by road instead of railway, the claim for reimbursement of expenditure on internal transport and freight charges shall be restricted to the total of transportation charges and railway freight charges as specified in (i) to (iii) above or the actual transportation charges by road incurred by the sugar factory, whichever is less.

Explanation - The restriction imposed in the Sugar (Price Determination for Production) Order of any relevant sugar season, as regards the transportation charges, shall not apply for the purpose of this sub-rule and the sugar factory shall get reimbursement for the full distance between the sugar factory and the nearest railhead.

(8) A sugar factory claiming reimbursement of expenditure in respect of sub-rule 7(i) above shall produce a distance certificate from the District Collector or any officer authorized by him in this behalf of the District where the sugar factory is situated, as a proof of distance between the sugar factory and the nearest loading railhead.

(9) A sugar factory claiming reimbursement of expenditure in respect of sub-rule 7(ii) above shall produce a certificate from the concerned Railway authorities specifying the railway freight chargeable from the railhead nearest to the sugar factory to the railhead nearest to the port by the shortest route for the quantity of sugar transported.

(10) A sugar factory claiming reimbursement of expenditure in respect of 7(iii) above shall produce a distance certificate from the concerned Port authorities specifying the distance between railhead nearest to the port and the point of loading at the port.
The reimbursement claim of the sugar factory shall be settled within forty-five days of the receipt of the complete documents from the sugar factory, unless the Central Government has in writing communicated to the sugar factory within that period to furnish any requisite document.

In a case where it is found at any time that a sugar factory has willfully suppressed the facts or concealed some material information or furnished false information or forged documents, then:

(a) the reimbursement claim of that sugar factory shall be rejected;
(b) its future claim shall not be entertained, and
(c) if the claim has already been settled, the sugar factory shall be liable to refund the amount along with such interest as the Committee may decide.

In the said rules, after Form V and entries relating thereto the following Form VI shall be inserted, namely:

"FORM VI
(See sub-rule (4) of rule 20).

Application form for Reimbursement of Expenditure on Internal Transport and Freight Charge

I. Name, Short Plant Name, Code No. of the Directorate of Sugar and Complete Address of the sugar factory.

(a) Name
(b) Short Plant Name
(c) Code No.
(d) Complete Address.
2. Name and Address of the owner of the sugar factory

(a) Name
(b) Address (Where the owner is a Firm or a Company or a Corporation, or a Cooperative Society, then please mention the address for communication and that of Registered Office)

3. Whether the sugar factory itself has exported sugar (Please write 'Y' for yes, 'N' for No).

4. Where reply to item No.3 is 'No', then please indicate the name, address and code No. of the exporter (as allotted by Director General of Foreign Trade) through which sugar has been exported

(a) Name
(b) Address (Where the exporter is a Firm or a Company or a Corporation or a Cooperative Society, then please mention the address for communication and that of Registered Office)
(c) Code No.

5. Name and address of the importer

(a) Name
(b) Address

6. Name and address of the Indian Bank (including branch code No., if any) and foreign bank through which export transaction took place

(a) Indian Bank
(b) Foreign bank
7. Details of the Release Order

(a) Release Order No.
(b) Date of Release Order and Revaluation Date, if any
(c) Quantity released
(d) Validity period of Release Order

8. Details of export shipment of sugar

(a) Quantity exported (in tonnes)
(b) Sugar Season of Production
(c) Date of dispatch of export consignment
(d) Date of shipment of export consignment

9. Export Price C.O.B. (per tonne)

(a) USS
(b) Exchange rate
(c) Indian Rs.

10. Export realization in terms of

(a) US $
(b) Indian Rs.

11. Whether internal transport has been undertaken by railway, or road or both.
12. Details of the expenditure on internal transport and freight charges on export shipment of sugar:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Quantity exported (in tonnes)</th>
<th>From</th>
<th>To</th>
<th>Mode</th>
<th>Distance covered (in Kms)</th>
<th>Freight paid</th>
<th>Freight charges as per railway freight rate per tonne</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(8)</td>
<td>(9)</td>
</tr>
</tbody>
</table>

(In Rs)

13. The following documents are enclosed:

(a) a certified copy of the release order issued under clause 5 of the Sugar (Control) Order, 1966;

(b) a certified copy of the contract entered into by the sugar factory with the exporter where the sugar factory itself is not the exporter;

(c) a certified copy of the Application made for Removal of Excisable Goods (FORM A.R.E. 1) certifying that the consignment of sugar has been shipped off;

(d) a certified copy of customs attested Export Promotion (EP) copy of the Shipping Bill;

(e) a certified copy of the Bank Certificate of Export and Realization as given in Appendix 22 of the Handbook of Procedure (Vol.1) for the period 19__.
April, 2002 – 31st March 2007 issued by the Central Government in the Ministry of Commerce and Industry, Department of Commerce

(i) a certified copy of the distance certificate issued under sub-rule (8) regarding the distance between the sugar factory and the loading railhead;

(g) a certified copy of the railway freight receipt from loading railhead to railhead nearest to the port;

(h) a certified copy of the certificate of railway freight chargeable as specified in sub-rule (9);

(i) a certified copy of the certificate issued by the port authorities certifying the distance between the railway station nearest to the port and loading point at the port as specified in sub-rule (10);

(j) a certified copy of the receipt and challan of the road transporter indicating the vehicle number and quantity transported where the sugar factory has transported the export consignment of sugar by road.

14. The pre-receipted bill is enclosed.

Certified that the amount of Rs. __________ claimed above is true and correct for the __________ tonnes of sugar exported.

(Chairman/Managing Director/General Manager)
(Please indicate the name and affix the stamp)

Certified that the amount of Rs. __________ claimed above is based on the sugar exported by the sugar factory of its owner through exporter (delete which is not applicable) is correct.

Chartered Accountant/Cost Accountant
(Please indicate name, Membership No. and full address)
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Department of Food and Public Distribution)

NOTIFICATION
New Delhi the 19th August, 2002

G.S.R. 362 (E).— In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Second Amendment) Rules, 2002.

(2) They shall come into force on the date of their publication in the Official Gazette.

In the Sugar Development Fund Rules, 1983, (hereinafter referred to as the said Rules), in rule 2—

(i) after clause (f) the following clause (ff) shall be inserted, namely:

(ff) "Committee for rehabilitation" means the Committee constituted by the Central Government to consider and recommend rehabilitation of a sugar undertaking in the co-operative sector that has eroded its net worth;

(ii) after clause (j), the following clause (jj) shall be inserted, namely:

(jj) "potentially viable sick sugar undertaking" means a sugar undertaking being in the Private or Public sector in respect of which a scheme of rehabilitation has been sanctioned by the Board for Industrial and Financial Reconstruction (BIFR) or being in the co-operative sector in respect of which a scheme of rehabilitation has been recommended by the Committee for rehabilitation.

2. In the said rules in rule 16, for the first proviso, the following proviso shall be substituted, namely:
“Provided that a sugar undertaking that has availed of a loan under this rule shall be eligible for loan only on one occasion during the period in which the previous loan under this rule or a loan under sub-rule (1) of rule 21, along with interest thereon has not been fully repaid”.

4. In the said rules, in rule 17, for the first proviso, the following proviso shall be substituted, namely:

“Provided that the Central Government may accord sanction for a loan under this rule to a sugar undertaking only on one occasion during the period in which the previous loan under this rule or a loan under sub-rule (2) of rule 21, along with interest thereon has not been fully repaid”.

5. In the said rules, after Chapter IX, the following Chapter X shall be inserted, namely:

"Chapter X

Loans for potentially viable sick sugar undertaking

21. (1) A potentially viable sick sugar undertaking shall be eligible for a loan for the modernization or rehabilitation of plant and machinery:

Provided that the loan from the Fund has been recommended in the rehabilitation scheme for the potentially viable sick sugar undertaking by the Board for Industrial and Financial Reconstruction or the Committee for rehabilitation, as the case may be:

Provided further that the scheme or project for such modernization or rehabilitation of its plant and machinery is approved for financial assistance by a financial institution or a scheduled bank under its relevant scheme or sponsored by the Technology, Information, Forecasting and Assessment Council in respect of Scheme Mission Mode Project on Sugar Production Technologies of the Department of Science and Technology for modernization and rehabilitation of its plant and machinery:

Provided also that a sugar undertaking shall not be eligible for a loan under this rule if more than one loan under rule 16 remains to be fully repaid.

(2) A potentially viable sick sugar undertaking shall be eligible for a loan for the sugarcane development:

Provided that for a scheme or project for sugarcane development in the rehabilitation scheme for the potentially viable sick sugar undertaking sanctioned by the Board for Industrial and Financial Reconstruction or
recommended by the Committee for rehabilitation, a loan from the Fund has been recommended:

Provided further that a sugar undertaking shall not be eligible for a loan under this rule if more than one loan under rule 17 remains to be fully repaid.

(3) A sugar undertaking, which has availed a loan under sub-rule (1) or sub-rule (2), shall not be eligible to apply for a loan under this rule on any subsequent occasion.

(4) Any eligible sugar undertaking under sub-rule (1) shall make an application for the loan for modernization or rehabilitation to the Committee for rehabilitation in Form II-A along with eleven certified copies thereof.

(5) Any eligible sugar undertaking under sub-rule (2) shall make an application for the loan for sugarcane development in Form III-B along with twelve certified copies thereof to the State Government in which the sugar undertaking is located and the State Government may forward the application after such scrutiny, as it deems necessary, with its comments and recommendations to the Member-Secretary of the Committee for rehabilitation.

(6) The Member-Secretary of the Committee for rehabilitation shall, as soon as may be, after receipt of an application referred to in sub-rule (4) or sub-rule (5), place the application before the said Committee along with his comments, if any, for the Committee’s consideration.

(7) The Committee for rehabilitation, before making a final decision on an application, shall satisfy itself that adequate reliefs, or concessions from the Central Government, State Government, any scheduled bank or other
bank, financial institutions or donations from the employees of the undertaking and other agencies, if any, have been provided in the rehabilitation scheme and such reliefs or concessions or donations have been accepted by the concerned agencies to be provided to the sugar undertaking.

(8) It shall be open to the committee for rehabilitation before making a final decision on an application, to call for any further information from the applicant or any other concerned agency, if necessary.

(9) The final decision of the Committee for rehabilitation on any application under this rule shall be submitted to the Central Government in the form of recommendation.

(10) The Central Government may, after consideration of the recommendation of the Committee for rehabilitation and any other relevant fact in respect of a project for modernization or rehabilitation, authorise payment to a sugar undertaking of such amount of loan, not exceeding the amount required by the financial institution or the scheduled bank to be contributed by such sugar undertaking as promoter's contribution:

Provided that the loan from the Fund under this rule shall not exceed sixty per cent of the eligible project cost:

Provided further that the loan from the Fund shall be granted only if the sugar undertaking contributes a minimum of twenty percent of the project cost from its own resources as promoter's contribution:

Provided also that a loan from the Fund shall not be granted for the purpose of repayment of any loan in any form availed by the sugar undertaking or interest on any such loan in any form, whether availed
from the Fund or from financial institutions, banks or any other agency including Government:

Provided also that the loan from the Fund shall be granted only if the sugar undertaking has repaid all the sums, which have become due in respect of the Fund and the Levy Sugar Price Equalisation Fund.

(11) (i) The loan for modernization or rehabilitation shall be disbursed by the Central Government to the concerned sugar undertaking or paid by it to the financial institutions for disbursement to the concerned sugar undertaking, either in lump sum or in two or more instalments as may be considered necessary by the Central Government, after an agreement is executed between the Central Government, the concerned State Government, the participating financial institutions or scheduled banks and the sugar undertaking concerned.

(ii) The agreement referred to in clause (i) of this sub-rule shall contain the terms and conditions with regard to the period of repayment including the number and amount of instalments, payment of interest, the manner of such repayment or payment and any other matter incidental to the loan.

(iii) The loan from the Fund shall carry a concessional rate of simple interest of six per cent per annum and in case of any default in repayment of the amount of loan, or payment of any instalment thereof or interest thereon, an additional interest at the rate of two and half per cent per annum of the amount of default shall be payable by the sugar undertaking.

(iv) The repayment of the loan for modernization or rehabilitation together with interest thereon, shall commence after the expiry of such period as may be decided by the Central Government after due
verification by financial institution subject to a maximum of five years, reckoned from the date of disbursement of the loan from the Fund and the loan from the Fund along with the interest due thereon, shall be recoverable in half-yearly instalments not exceeding ten in number.

(v) The financial institution shall, within thirty days of receipt of any amount from the loanee sugar undertaking by way of repayment of loan from the Fund, payment of interest thereon, or any other receipts, credit the said amount to the Fund.

(12) The Central Government may, after consideration of the recommendation of the Committee for rehabilitation and any other relevant fact in respect of a project for sugarcane development authorize payment to a sugar undertaking of such amount of loan not exceeding ninety per cent of the eligible project cost and not exceeding the amount, if any, specified under rule 17;

Provided that the loan from the Fund shall be granted only if the sugar undertaking or the concerned State Government contributes a minimum of ten per cent of the project cost from its own resources:

Provided further that the loan from the Fund shall not be granted for the purpose of repayment of any loan in any form availed by the sugar undertaking or interest on any such loan in any form, whether availed from the Fund or from financial institutions, banks or any other agency including Government:

Provided also that the loan from the Fund shall be granted only if the sugar undertaking has repaid all the sums, which have become due in respect of the Fund and the Levy Sugar Price Equalisation Fund.
(13) (i) The loan for sugarcane development shall be disbursed to the concerned sugar undertaking after a tripartite agreement is executed between the Central Government, the concerned State Government and the sugar undertaking.

(ii) The tripartite agreement referred to in clause (i) of this sub-rule shall contain the terms and conditions as the Central Government may decide in consultation with the State government such as monitoring of the progress of the project by a research institute or any other organization as may be decided by the Central Government, repayment of the loan with interest, remittance to the credit of the Fund, utilization certificate by the concerned State Government and any other matter incidental to the loan.

(iii) The loan from the Fund shall carry a concessional rate of simple interest of six per cent per annum and in case of any default in repayment of the amount of loan, or payment of any instalment thereof or interest thereon, an additional interest at the rate of two and a half per cent per annum on the amount of default shall be payable by the sugar undertaking.

(iv) The repayment of loan for sugarcane development together with interest thereon shall commence on the expiry of moratorium period of one year reckoned from the date of disbursement of the loan and shall be repaid in equal half-yearly instalments not exceeding eight in number and interest thereon shall be paid half-yearly after the expiry of one year from the date of disbursement of the loan.

6. In the said rules, after form-II and annexures thereof, the following Form -II A and annexures shall be inserted, namely:
FORM - II A
[See rule 21 (4)]

Application for financial assistance from Sugar Development Fund towards promoter's contribution for financing modernization/rehabilitation scheme

1. Name of applicant:

2. Address:
   (i) Registered Office;
   (ii) Location of the factory:

3. Constitution (whether co-operative society, private/ public Ltd. company, Joint Sector/ Public Sector Company):

4. Date of Incorporation/ Registration

5. Management:
   (a) Board of Directors:
   (b) Executive set-up

6. Particulars of the order of the Board For Industrial and Financial Reconstruction on the rehabilitation scheme sanctioned by it/ recommendations of the Committee for rehabilitation (enclose a copy of the Board For Industrial and Financial Reconstruction Order/ recommendation of the Committee for rehabilitation):

7. Brief description of the proposed project (Enclose a copy of the Project Report):

8. Actual performance and expected performance on completion of the Scheme/ project for which this loan application has been made please indicate in the manner below:
(A) Salient production and Operation Results (a) Actual (b) expected on completion of the scheme/project for which loan application has been made

Year ended

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NOTE: (i) In case of the performance has not been up to the accepted norms and if there has been wide fluctuation in the performance, please state the reasons, in brief.

NOTE: (ii) Please furnish installed capacity, production and efficiency figures in respect of other activities, if any, such as distiller, paper unit, etc.
(B) Working results:

1. Net Sales
2. Gross Profit/loss
3. Interest on:
   (a) Term loans
   (b) Working capital
   (c) Total
4. Depreciation
5. Operation profit (loss)
6. Tax
7. Net Profit/Loss
8. Cash accruals
9. Applicable statutory cane price fixed by the Government of India (Rupees per quintal)
10. Actual cane price paid (Rupees per quintal)

(C) Financial position

1. (a) Gross fixed assets including work in progress
   (b) Less Depreciation
2. Net fixed assets
3. Investments
4. Current Assets
5. Current Liabilities
6. Net Working Capital [(4) minus (5)]
7. Net tangible assets [(2)+(3)+(6)]
8. Long-term liabilities
9. Shareholder's worth [(7) minus 98]
10. Share capital including share suspense and non-refundable deposits
11. Reserves and surplus
12. Deficit in Profit and Loss Account and Intangible assets.
13. Net Worth [(10+(11) minus (12)]
9. Whether the project has been approved by the All-India Financial Institutions/ scheduled banks/ Technology Information, Forecasting and Assessment Council (TIFAC) for assistance under the SDF:

(a) if so, enclose a certified true copy of the "Letter of Intent" issued by the Lead Institution

(b) List out any condition(s) of material nature stipulated by the Lead Institutions including Rate of interest, repayment period and security:

10. (a) What are the reliefs or concessions from the Central Government, State Government, Financial Institutions, Scheduled Bank, Other Banks, financial institutions or donations from the employees of the sugar undertaking & other agencies, if any included in the Order of the BIFR/ recommendation of the Committee for rehabilitation.

(b) Whether the concerned agencies have agreed to provide these reliefs/concessions to the sugar undertaking? If so, copies of the consent letters from the concerned agencies are to provide along with this application form.

11. Measures proposed to be taken by the sugar undertaking for rationalization of manpower and for reducing expenditure, particularly overheads.

12. Cost of the project (as approved by the all-India Financial Institutions/ scheduled banks/ Technology Information, Forecasting and Assessment Council (TIFAC). Please furnish break-up and certified true copy of the approval.

13. Means of Financing, Debt-Equity Ratio and Security margin (as approved by the all-India Financial Institutions/ scheduled banks/ Technology Information, Forecasting and Assessment Council (TIFAC).
14. Percentage and amount of Promoter's Contribution stipulated by the all-India Financial Institutions/ scheduled banks/ Technology Information, Forecasting and Assessment Council (TIFAC).

15. Amount of assistance required from Sugar Development Fund towards promoter's Contribution along with justification therefore having regard to the financial position/ Resourcefulness of the applicant concern/ its promoters.

16. Security proposed to be provided for the loan applied for:
   (a) Bank Guarantee
   (b) State Government Guarantee
   (c) Creation of charge on assets

17. Schedule of implementation of the project

18. Please furnish a summary of the projected profitability/ cash flow statements for 10 years after completion of the scheme (in the proforma at Annexure -I and II) along with critical assumptions.

Place:

Date:

Signed by:
Name:
Designation:
Name and address of the sugar undertaking (Occupier)
ANNEXURE-I TO FORM-III-A

Name of the concern/Society ____________________________________________

Summary of Projected profitability and cash flow
(This statement should be prepared for a period of 10 years)
(Amount in Rupees in lakhs)

<table>
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<tr>
<th>Year</th>
<th>20</th>
<th>20</th>
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<th>20</th>
<th>20</th>
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</thead>
<tbody>
<tr>
<td>No. of working days</td>
<td>20</td>
<td></td>
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<tr>
<td>% output to installed capacity production (quantity)</td>
<td>20</td>
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</tbody>
</table>

1. Net sales (exclusive of excise duty)

2. Gross operating profit before depreciation, interest, (on term loans and deferred Payments), management remuneration, Selling Agency Commission and Tax.

3. Depreciation

4. Interest (on term loans/deferred Payments)

5. Management remuneration

6. Selling Agency Commission

7. Operative Profit before tax [2 minus (3+4+5+6)]

8. Non-operating income

9. Profit before tax (7+8)

10. Tax

11. Net profit after tax (9 minus 10)

12. Development rebate reserve/Investment Allowanced Reserve

13. Net distributable profit (11 minus 12)

14. Gross cash flow (3+12+13)
15. Preferable dividend-
   a) Amount
   b) Rate

16. Equity dividend-
   a) Amount
   b) Rate

17. Retained profit \[13 \text{ minus } (15+16)\]

18. Net cash flow \[14 \text{ minus } (15+16)\]

19. Funds available to pay interest \[(11+4)\]

20. Interest coverage \[(19+4)\]

21. Cash available for debt service \[(14+4)\]

22. Total debt deferred service (instalments of term loans, deferred payments and interest on terms loans and deferred payments falling due in the year)

23. Debt Service Coverage \[(21+22)\]

Profitability Ratios

24. Percentage of operating profit before tax to net sales

25. Return or capital employed

26. Percentage of profit after tax to equity capital

27. Investment output Ratio Capital employed to sales ratio, investment output ratio

28. Gross value added to net sales (%)

Note:- Items 27 and 28 shall be computed in the same manner as done for the purpose of securing loan under the soft loan scheme of the financial institutions.

Signed by:
Name
Designation
Name and address of the Sugar undertaking (Occupier)

Place:
Date:
ANNEXURE – II TO FORM – II – A

CASH FLOW STATEMENT

(This statement should be prepared for a period of 10 operating years)

<table>
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<th>(In thousands of rupees)</th>
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<tr>
<td>Construction period</td>
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**SOURCES OF FUNDS**

1. Share issue
2. Profit before taxation with interest added back
3. Depreciation Provision for the year
5. Increase in secured medium and long-term borrowings for the projects.
6. Other medium/ long-term loans.
7. Increase in unsecured loans and deposits.
8. Increase in liabilities for deferred payment (including interest) to machinery suppliers.
9. Sale of fixed assets
10. Sale of investment
11. Other income (indicate details)

Total (A)
DISPOSITION OF FUNDS

1. Capital expenditure for the project
2. Other normal capital expenditure
3. Increase in working capital
4. Decrease in secured, medium and long-term borrowings
   ~ All India Institutions
   ~ State Financial Corporations
   ~ Banks
5. Decrease in unsecured loans and deposits.
6. Decrease in Bank Borrowings for working capital.
7. Decrease in liabilities for deferred payments (including interest) to machinery suppliers.
8. Increase in investment in other companies
9. Interest on term loans.
10. Interest on bank borrowings for working capital.
11. Taxation
12. Dividends-Equity Preference
13. Other expenditure (indicate details)

Total (B)
14. Opening Balance of Cash in Hand and at bank

15. Net surplus/deficit (A - B)

16. Closing balance of Cash in hand and at Bank

NOTE:

1. Detailed working of the figures shown should be provided.
2. Borrowing (as well as repayments) for the project and for other purposes should be shown separately.

Place: 

Signed by:
Name:
Designation:

Date:
Name and address of the sugar undertaking (Occupier):
7. In the said rules, after Form -III A, the following Form -III B shall be inserted, namely:

FORM – III-B
[See rule 21 (5)]

Application for financial assistance for sugarcane development
(To be submitted through the State Government)

1. Name and address of the sugar undertaking
2. Year of installation
3. Constitution (Whether co-operative society, Private/ Public Ltd. Company, Joint Sector/ Public Sector Company)
4. Cane crushing capacity (tones per day)
5. Quantity of cane crushed during the preceding three sugar years
6. Purpose for which loan is applied for (enclose a detailed report on the project/ scheme proposed to be implemented)

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7. (a) Area under sugarcane (hectares)
(b) Average Yield (tones per hectare)
(c) Total production of sugarcane in the area (in lakh tones)
(d) Gross duration of the season (days)
(e) Net duration of the season (days)
8. Expected benefits on completion of the sugarcane development scheme/project for which loan is applied for

(a) Increase in the area of sugarcane (hectares)

(b) If change in cane varieties is proposed to be undertaken and if so, furnish details of the same.

(c) Expected average yield (tones per hectare)

(d) Expected increase in total production of sugarcane in the area (in lakh tones) as compared to 7 (c) above.

(e) Expected improvement in recovery percent cane

9. Measures for monitoring of proposed sugarcane development scheme:

(a) Whether technically qualified persons are available with sugar undertaking, and if so, details of their qualifications & experiences.

(b) Mechanism and system of reporting of the progress of sugarcane development scheme to the monitoring agency, as may be decided by the Central Government and to the State Government.

10. (a) Whether grant of loan from the SDF for modernization/rehabilitation/technology upgradation of the plant and machinery of the sugar undertaking has been recommended by the BIFR or the Committee for rehabilitation.

(b) If so, has the sugar undertaking applied for such a loan from the SDF.
11. (a) What are the reliefs/concessions from various agencies including FIs/ Banks/ Central Government/ State Government/ donations from the Employees of the sugar undertaking included in the rehabilitation scheme recommended by the BIFR/ the Committee for rehabilitation?

(b) Whether the concerned agencies have agreed to provide the reliefs/concessions to the sugar undertaking. Enclose copies of letters received from the concerned agencies.

12. Measures proposed to be taken by the sugar undertaking for rationalization of manpower and for reducing expenditure, particularly overheads.

13. Details of assistance available from agencies other than the Central Government for the project/scheme for which this loan has been applied.

14. Reasons, if any, for not availing of such assistance.

15. (a) How much of the cane area has been allotted to the sugar undertaking by the State Government?

(b) Period for which the cane area has been allotted to the sugar undertaking?

(c) Whether the cane area allotted to the sugar undertaking is adequate for achieving the expected benefit on completion of the scheme?

16. Whether the proposed project/scheme is covered in full or in part by any scheme of the State Government or any other agency for the development of sugarcane in the area of the applicant sugar undertaking.
17. Amount of loan applied for

18. Means of financing the total cost of implementation of the project/scheme

19. Security proposed to be provided for the loan sought

20. Proposed mode of repayment of the loan

Place: - Signature:

Date: - Name and Designation:

Name and address of the sugar undertaking

[F No. 1-7/2001-SDF]
R. N. DAS. Jr. Secy.

NOTE:- The principal rules were published in the Gazette of India Vide number GSR 751 (E) dated 28.09.1983 and subsequently amended vide:

(i) GSR 817 (E) dated 20.12.1984
(ii) GSR 838 (E) dated 14.11.1985
(iii) GSR 551 (E) dated 06.05.1988
(iv) GSR 235 (E) dated 24.04.1991
(v) GSR 441 (E) dated 28.04.1992
(vi) GSR 435 (E) dated 06.05.1994
(vii) GSR 27 (F) dated 12.01.1996
(viii) GSR 656 (E) dated 21.11.1997
(ix) GSR 91 (E) dated 12.02.2001
(x) GSR 386 (E) dated 06.12.2001
(xi) GSR 443 (E) dated 21.06.2002
7. सांख्यिकीय संख्या 27 (अ) तारीख 12.01.1996
8. सांख्यिकीय संख्या 656 (अ) तारीख 21.11.1997
9. सांख्यिकीय संख्या 91 (अ) तारीख 12.02.2001
10. सांख्यिकीय संख्या 886 (अ) तारीख 06.12.2001
11. सांख्यिकीय संख्या 443 (अ) तारीख 21.06.2002; और
12. सांख्यिकीय संख्या 584 (अ) तारीख 19.08.2002

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Department of Food and Public Distribution)
NOTIFICATION
New Delhi, the 29th January, 2003

G.S.R. 67(E).— In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2003.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, (hereinafter referred to as the said rules), in rule 2, after clause (k), the following clause (kk) shall be inserted, namely:—

"(kk) “scheduled bank” means a bank for the time-being included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934);"
3. In the said rules, in rule 7, in sub-rule (1), for the brackets, words, figures and letter "(rules 16, 17, and 18 and 18A)", the brackets, words, figures and letter "(rules 16, 17, 17A, 18, 18A, 20, 21, 22 and 23)" shall be substituted.

4. In the said rules, in rule 21, in sub-rules (4) to (10) (both inclusive) and sub-rule (12) for the words "Committee for rehabilitation" the words "Committee" shall respectively be substituted.

5. In the said rules, after Chapter X, the following Chapters XI and XII shall be inserted, namely:

"CHAPTER – XI

Loan for production of Anhydrous Alcohol or Ethanol from Alcohol

22. (1) A sugar factory shall be eligible to apply for a loan from the Fund under this rule if

(a) the sugar factory has been approved for financial assistance by a Financial Institution or a Scheduled Bank for implementing a project for production of anhydrous alcohol or ethanol from alcohol by installing the required plant and machinery provided that at least twelve and a half percent of the cost of the project is being met by the sugar factory from its own resources as part of the promoters' contribution required by the Financial Institution or the Scheduled Bank, or

(b) the sugar factory is implementing a project appraised by a Financial Institution or a Scheduled Bank or an agency approved by the Central Government for this purpose, for the production of anhydrous alcohol or ethanol from alcohol by installing the required plant and machinery and subject to the said appraisal,
undertakes to meet at least twenty-five per cent of the cost of the project from its own resources.

(2) A sugar factory that has availed of a loan under this rule shall not be eligible for another loan during the period in which the previous loan under this rule along with interest thereon has not been fully repaid.

(3) A sugar factory, which is in default of payment that has become due in respect of the Fund and the Levy Sugar Price Equalization Fund, shall not be eligible to apply for a loan under this rule.

(4) A sugar factory shall not be eligible to apply for a loan under this rule for one or more of the following, namely:

(i) second hand project, equipment and machinery;
(ii) refinancing;
(iii) financing of cost overrun;
(iv) project commissioned prior to the date of application to the Financial Institution or the Scheduled Bank for financial assistance under their relevant scheme or projects commissioned before making an application to the Committee in cases where the sugar factory is implementing the project on its own;
(v) a project below the minimum economic size, which the Central Government may determine from time to time.

(5) The Committee may, with the previous approval of the Central Government make any class or classes of sugar factory ineligible for loan under this rule.

Provided that where the Committee decides that an applicant is not eligible, reasons therefor shall be recorded in writing.

(6) An eligible sugar factory under this rule, shall make an application to the Committee in Form VII in duplicate along with a copy each of its balance
sheet and profit and loss account for the last three consecutive years preceding
the year in which the application is made.

(7) (i) All applications made under sub-rule (6) shall first be placed
before the sub-committee constituted by the Committee for this purpose.

(ii) The Member Secretary of the Committee, who shall be the
convener of the sub-committee, shall call a meeting of the sub-committee at least
once in every month, provided that in a month in which the Committee has
received no application, it shall not be necessary to hold the meeting.

(iii) The sub-committee shall consider the application and all
other relevant factors and give its recommendation for the consideration of the
Committee in its next meeting.

(8) It shall be open to the Committee and the sub-committee to call for
any further information from the applicant or refer the matter to an expert or
group of experts to make an investigation and report on any aspect relating to the
application before making their recommendations.

(9) (a) The Committee shall, after taking into account the
recommendations of the sub-committee, and after considering the information or
report obtained by the Committee under sub-rule (8), if any, and all relevant
aspects, make its recommendations as to the amount of loan that may be made to
the sugar factory.

(b) The Committee may also, with the previous approval of the
Central Government, issue directions to the sub-committee to make a
recommendation directly to the Central Government on the amount of loan that
may be made to the sugar factory.

(10) (a) In respect of a sugar factory that has applied for a loan,
falling under clause (a) of sub-rule (1) of this rule, the Central Government may
after consideration of the recommendation of the Committee and any other
relevant factor with a view to improving its viability, authorize payment of such amount of loan not exceeding the amount required by the Financial Institution or the Scheduled Bank, as the case may be, to be contributed by such sugar factory as promoters' contribution as may be determined by the Central Government.

(b) In respect of a sugar factory that has applied for a loan, falling under clause (b) of sub-rule (1) of this rule, the Central Government may after consideration of the recommendation of the Committee and any other relevant factor with a view to improving its viability, authorize payment of an amount of loan not exceeding seventy five per cent of the eligible project cost, from the Fund.

(11) The amount of loan authorised under sub-rule (10) shall be disbursed by the Central Government to the sugar factory or paid by it to the Financial Institution or the Scheduled Bank, as the case may be, for disbursement to the sugar factory, either in lump sum or in instalments as may be considered necessary by the Central Government, provided that where the loan has been authorised under clause (b) of sub-rule (10), the loan shall be disbursed only after the Central Government is satisfied that at least twenty five per cent of the cost of the project has been deployed by the sugar factory.

(12) The Financial Institution or the Scheduled Bank, as the case may be, shall treat the amount authorised under clause (a) of sub-rule (10) as a part of the promoters' contribution.

(13) The loan from the Fund under this rule shall carry a rate of simple interest of six per cent per annum, which may be revised by the Central Government from time to time.

(14) (a) The loan from the Fund along with the interest due thereon shall be recovered in half-yearly instalments not exceeding eight in number.
(b) The repayment of the loan with interest thereon shall commence after the expiry of one year reckoned from the date of each disbursement of the loan from the Fund.

(15) (a) The disbursement of the loan authorised by the Central Government under sub-rule (10) shall be preceded by a tripartite agreement between the Central Government, the sugar factory and the Financial Institution or the Scheduled Bank, or a bilateral agreement between the Central Government and the sugar factory, as the case may be.

(b) The agreement referred to in clause (a) above, shall contain the terms and conditions with regard to the utilization of the loan including monitoring of the implementation of the project by an agency designated by the Central Government in this behalf, the period of repayment including the number and amount of installment, payment of interest, the manner of such repayment or payment, security to be provided for the loan and any other matter incidental to the loan.

(16) (a) The sugar factory shall, after the execution of the agreement referred to in sub-rule (15) above, furnish a Bank Guarantee from a Scheduled Bank as security for the loan to the satisfaction of the Central Government.

(b) The Bank Guarantee shall cover the amount of loan and the interest thereon for the full period of repayment as provided in sub-rule (14).

(17) (i) In respect of loans authorised under clause (a) of sub-rule (10) of this rule to a sugar factory, the designated financial institution shall, within thirty days of receipt of any amount from the loanee sugar factory by way of repayment of loan from the Fund or payment of interest thereon or any other receipts in accordance with the provisions of sub-rule (14) and the agreement referred to in sub-rule (15), credit the said amount to the Fund.
(ii) In respect of loans authorised under clause (b) of sub-rule (10) of this rule to a sugar factory, the sugar factory shall make repayments of the loan and payment of interest thereon and credit the said amounts to the Fund in terms of sub-rule (14).

(18) In case of any default in repayment of the amount of loan, or payment of any instalment thereof, or payment of interest thereon, an additional interest at the rate of two and a half per cent per annum on the amount and the period of default shall be payable by the sugar factory:

Provided that in case of two consecutive defaults in repayment of the loan or instalment thereof, the Central Government shall realize the entire amount of loan along with the interest thereon from the Bank Guarantee furnished under sub-rule (16) or any claim of the sugar factory against the Central Government or any other security provided for the loan.

Explanation: - For the purpose of this rule, the expression sugar factory includes any unit thereof.

Chapter – XII

Loan for bagasse-based cogeneration power projects

23 (1) Any sugar factory having an installed capacity of 2500 Tonnes Crushed Per Day or higher to which financial assistance has been approved by a Financial Institution or a Scheduled Bank for it to implement a project of bagasse-based cogeneration of power by installing the required plant and machinery shall be eligible to apply for a loan from the Fund under this rule for implementing the project provided that the project envisages marketable surplus of cogenerated power and provided further that at least ten per cent of the cost of the project is being met by the sugar factory from its own internal generation of funds as part of the promoters’ contribution required by the Financial Institution or the Scheduled Bank.
(2) A sugar factory that has availed of a loan under this rule shall not be eligible to apply for a loan during the period in which that loan along with interest thereon has not been fully repaid.

(3) A sugar factory, which is in default of payment that has become due in respect of the Fund and the Levy Sugar Price Equalization Fund, shall not be eligible to apply for a loan under this rule.

(4) A sugar factory shall not be eligible to apply for a loan under this rule for one or more of the following, namely:

(i) second hand project, equipment and machinery;
(ii) refinancing;
(iii) financing of cost over run;
(iv) project commissioned prior to date of application to the Financial Institution or the Scheduled Bank.

(5) The Committee may, with the previous approval of the Central Government, make any class or classes of sugar factory ineligible to apply for loan under this rule:

Provided that where the Committee decides that an applicant is not eligible, the reasons therefor shall be recorded in writing.

(6) An eligible sugar factory under this rule, shall make an application to the Committee in Form VIII in duplicate along with a copy each of its balance sheet and profit and loss account for the last three consecutive years preceding the year in which the application is made.
(7) (i) All applications made under sub-rule (6) shall first be placed before the sub-committee constituted by the Committee for this purpose.

(ii) The Member Secretary of the Committee, who shall be the convener of the sub-committee, shall call a meeting of the sub-committee at least once in every month, provided that in a month in which the Committee has received no application, it shall not be necessary to hold the meeting.

(iii) The sub-committee shall consider the application and all other relevant factors and give its recommendation for the consideration of the Committee in its next meeting.

(8) It shall be open to the Committee and the sub-committee to call for any further information from the applicant or refer the matter to an expert or group of experts to make an investigation and report on any aspect relating to the application before making their recommendations.

(9) The Committee shall, after taking into account the recommendations of the sub-committee, and after considering the information or report obtained by the Committee under sub-rule (8), if any, and all relevant aspects, make its recommendations to the Central Government as to the amount of loan that may be made to the sugar factory.

(10) The Central Government may, after consideration of the recommendations of the Committee and any other relevant factor with a view to improving the viability of the sugar factory, authorize payment to a sugar factory, of such amount of loan not exceeding the amount required by the Financial Institution or the Scheduled Bank, as the case may be, to be contributed by such sugar factory as promoters' contribution, as may be determined by the Central Government.

(11) The amount of loan authorized under sub-rule (10) shall be disbursed by the Central Government to the sugar factory or paid by it to the Financial Institution or the Scheduled Bank, as the case may be, for disbursement
to the sugar factory, either in lump sum or in two or more instalments, as may be considered necessary by the Central Government.

(12) The Financial Institution or the Scheduled Bank, as the case may be, shall treat the amount paid to it under sub-rule (11) as the promoters' contribution or as part thereof required to be raised by the sugar factory for availing of the loan under the relevant scheme of the Financial Institution or the Scheduled Bank for bagasse-based cogeneration power projects.

(13) The loan from the Fund under this rule shall carry a rate of simple interest of six per cent per annum, which may be revised by the Central Government from time to time.

(14) (a) The repayment of the loan shall commence after the expiry of three years reckoned from the date of each disbursement of the loan and shall be repaid in half yearly instalments not exceeding ten in number.

(b) The interest on the said loan shall be paid annually for the first three years from the date of each disbursement of the loan after which it shall be paid half yearly along with the instalment of the repayment of the principal.

(15) (a) The disbursement of the loan authorised by the Central Government under sub-rule (11) shall be preceded by a tripartite agreement between the Central Government, the sugar factory and the Financial Institution or the Scheduled Bank, as the case may be.

(b) The agreement referred to in clause (a) above, shall contain the terms and conditions with regard to the utilization of the loan including monitoring of the implementation of the project by an agency designated by the Central Government in this behalf, the period of repayment including the number and amount of instalment, payment of interest, the manner of such repayment or payment, security to be provided for the loan and any other matter incidental to the loan.
(16) (a) The sugar factory shall, after the execution of the agreement referred to in sub-rule (15) above, and before the disbursement of the loan under sub-rule (11), furnish security for the loan to the satisfaction of the Central Government.

(b) The security shall cover the amount of loan and interest thereon for the full period of repayment as provided in sub-rule (14) above, and shall be furnished in any of the following manners, namely:

(i) Bank Guarantee from a Scheduled Bank, or

(ii) A mortgage on all immovable and movable properties of the sugar factory on pari passu first charge basis failing which on the basis of an exclusive second charge.

(17) The designated Financial Institution shall, within thirty days of receipt of any amount from the loanee sugar factory, by way of repayment of loan under this rule or payment of interest thereon or any other receipt, credit the said amount to the Fund.

(18) In case of any default in repayment of the amount of loan, or payment of any instalment thereof, or payment of interest thereon, an additional interest at the rate of two and a half per cent per annum on the amount for the period of default shall be payable by the sugar factory:

Provided that in case of two consecutive defaults in repayment of the loan or instalment thereof, the Central Government shall realize the entire amount of loan along with the interest and additional interest thereon from the security furnished under sub-rule (16) or any claim of the sugar factory against the Central Government.
Explanation: - For the purpose of this rule, the expression sugar factory includes any unit thereof.

6. In the said rules, after Form VI, the following Forms VII and VIII and the annexures relating thereto shall be inserted, namely:

"FORM-VII

APPLICATION FOR FINANCIAL ASSISTANCE FROM THE SUGAR DEVELOPMENT FUND FOR IMPLEMENTING PROJECTS FOR PRODUCTION OF ANHYDROUS ALCOHOL OR ETHANOL FROM ALCOHOL

| I. | Name of applicant: |
| II. | Address: |
| (i) Registered Office |
| (ii) Location of the factory |
| III. | Constitution (Whether Cooperative Society, Private/ Public Ltd. Company, Joint Sector/ Public Sector Company): |
| IV. | Date of Incorporation/ Registration: |
| V. | Existing Activity/ past performance: |
| (i) Briefly state the present activities: |
| (ii) Performance during the last 3 years: |
| A. Salient production and Operating Results: (for three consecutive years preceding the year in which the application is made) |
| | Year ended |
| | 200 | 200 | 200 |
| (1) Licensed crushing capacity (Tonnes Crushed per Day) |
| (2) Installed crushing capacity (Tonnes Crushed per Day) |
| (3) Licensed capacity of the alcohol manufacturing plant (‘000 litres) |
| (4) Installed capacity of the alcohol manufacturing plant (‘000 litres) |
### B. Working results:

(for three consecutive years preceding the year in which the application is made)

<table>
<thead>
<tr>
<th>Year ended</th>
<th>200</th>
<th>200</th>
<th>200</th>
</tr>
</thead>
</table>

1. **Sales net of Excise Duty**

   (i) Sugar
   (ii) Alcohol
   (iii) Any other product

   **Total of (1)**

2. **Less:**
   Direct Production Expenses

3. **Gross Profit (1-2)**

4. **Less:**
   (a) Manufacturing Expenses
   (b) Administrative Expenses
   (c) Selling & Distribution Expenses

   **Total of (4)**

5. **Operating Profit before depreciation and interest (3-4)**

6. **Add: Other Income**

7. **Net Profit before depreciation and interest (5+6)**

8. **Less:**
   (a) Depreciation
   (b) Interest

   **Total of (8)**
(9) Net Profit before taxation (7-8)

(10) Less:

   Provision for taxation

(11) Net Profit after tax (9-10)

(12) Equity as at the end of

(13) Return on equity \([\frac{(11)}{(12)}\times 100]\)

(14) Debt as at the end of

(15) Average interest rate on debt \([\frac{(8b)}{(14)}\times 100]\).

(16) Weighted average cost of capital

\[\frac{[(12)\times (13) + (14)\times (15)]}{(12) + (14)}\]

II.

(1) Cane price payable (Rs. Lakhs)
(2) Cane price paid (Rs. Lakhs)
(3) Cane price arrears (Rs. Lakhs)

C. Financial position

(for three consecutive years preceding the year in which the application is made)

I. Sources of Funds

1. Shareholders'/ owners' funds

   (a) Capital
   
   (b) Reserves & Surplus
   
   Total

2. Loan Funds

   (a) Secured Loans

      1. Term loans
      
      2. Sugar Development Fund Loans
      
      3. Working Capital loans
      
      Total

   Year ended

   200 200 200
(b) Unsecured Loans

1. From Banks/ FIs
2. Others
Total

Total (a+b)

Total of (I)

II. Application of Funds

1. Fixed Assets

   (a) Gross Block
      Less: Depreciation
   (b) Net Block
      Add: Capital Work in Progress
      Total

2. Investments

3. Working Capital

   3.1 Current Assets, Loans & Advances

      (a) Inventories
      (b) Sundry Debtors
      (c) Cash & Bank balances
      (d) Other current assets
      (e) Loan & advances
      Total (a to e)

   3.2 Current Liabilities & Provision

      (a) Current Liabilities
      (b) Provisions
      Total (a+b)

Working Capital (3.1 minus 3.2)

Total of (II)

VI. Management:

(a) Board of Directors
(b) Executive set-up
VII

A. (1) Brief description of the proposed project and how the project is expected to improve the operations/viability of the sugar factory (enclose a copy of the project report).

(2) Proposed ethanol manufacturing capacity (‘000 litres)

(3) Project implementation period (months)

B. Financial Details as appraised (Rs. lakhs)

(1) Capital cost of project

(2) Sources of financing

   Equity:

   (a) Promoters’ contribution

   Debt:

   (a) Sugar Development Fund Loan
   (b) Term loan

   Total Investment

C. Project viability details

   (1) Average return on Equity (%)
   (2) Average interest rate on debt (%)
   (3) Weighted average cost of capital (%)
   (4) Average Debt Service Coverage Ratio
   (5) Pay back period (years)
   (6) Net Present Value (Rs. ‘000)
   (7) Internal Rate of Return (IRR) (%)

VIII

Whether the project has been approved by an all-India Financial Institution/ Scheduled Bank for assistance under its relevant scheme (name of the scheme and pattern of funding of the scheme):

(a) If so, enclose a certified true copy of the “Letter of Intent” issued by the Lead Institution

(b) List out any condition(s) of material nature stipulated by the Lead Institution including rate of
Please furnish the project profitability and cash flow statement in the proforma at Annexure to Form VII.

| Place: | Signature: ____________________ |
| Date: | Name: ____________________ |
| Name & Address of the sugar factory | Designation: ____________________ |

**ANNEXURE TO FORM-VII**

**PROJECT PROFITABILITY AND CASH FLOW STATEMENT**
(for the year of investment and subsequent 10 years)

<table>
<thead>
<tr>
<th>Year ended</th>
<th>200</th>
<th>200</th>
<th>200</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Rs. in lakhs)</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**I. PROFITABILITY**

1. **Sales net of Excise Duty**
2. **Less:**
   - Direct Production Expenses
3. **Gross Profit (1-2)**
4. **Less:**
   - (a) Manufacturing Expenses
   - (b) Administrative Expenses
   - (c) Selling & Distribution Expenses
   - **Total of (4)**
5. **Operating Profit before depreciation and interest (3-4)**
6. **Add: Other Income**
7. **Net Profit before depreciation and interest (5+6)**
II. CASH FLOWS

1. Net Profit after tax (see item I (11))

2. Add: Items debited to profit & loss account
   (a) Depreciation
   (b) Interest expenses
   (c) Income tax provisions
   (d) Other non-cash debits
   Total of (2)

3. Total (1+2)

4. Less: Items credited to profit & loss account
   (a) Interest income
   (b) Dividend income
   (c) Other credits (to specify)
   Total of (4)

5. Total (3-4)
6. Less:
   (a) Interest paid
   (b) Income tax paid
   (c) Dividends paid
   Total of (6)

7. Total (5-6)

8. Add: Revenue Receipts actually received
   (a) Interest
   (b) Dividend
   (c) Other receipts (to specify)
   Total of (8)

9. Total (7+8)

10. Working Capital Changes
   (i) Add:
       (a) Decrease in sundry debtors/ receivables
       (b) Decrease in inventories
       (c) Increase in sundry creditors/ payables
       Total of (i)

   (ii) Less:
       (a) Increase in sundry debtors/ receivables
       (b) Increase in inventories
       (c) Decrease in sundry creditors/ payables
       Total of (ii)

   Total of item 10 [(i) - (ii)]

11. Cash flow from operations (9+10)

12. Capital Items
   (i) Add:
       (a) Issue of share Capital
       (b) Issue of Debentures
       (c) Long term loans
       (d) Sale of Assets
       Total of (i)
(ii) Less:
(e) Investment in Project
(f) Redemption of Capital
(g) Redemption of Debentures
(h) Repayment of long-term loans
Total of (ii)

Total of item 12 [(i) – (ii)]

13. Total net cash flow (11+12)

14. Debt Service Coverage [(11)/(2b+12h/(1-Tax rate))]

15. Payback period (years)

16. Net Present Value (discount rate at 1 (16) above)

17. Internal Rate of Return

**FORM-VIII**

APPLICATION FOR FINANCIAL ASSISTANCE FROM SUGAR DEVELOPMENT FUND TOWARDS PROMOTERS’ CONTRIBUTION FOR FINANCING BAGASSE BASED COGENERATION POWER PROJECTS/SCHEME.

| I. | Name of applicant: |
| II. | Address: |
| | (i) Registered Office |
| | (ii) Location of the factory |
| III. | Constitution (Whether Cooperative Society, Private/ Public Ltd. Company, Joint Sector/ Public Sector Company): |
| IV. | Date of Incorporation/ Registration: |
| V. | Existing Activity/ past performance: |
| | (i) Briefly state the present activities: |
| | (ii) Performance during the last 3 years: |
A. Salient production and Operating Results:
(for three consecutive years preceding the year in which the application is made)

(1) Licensed crushing capacity (Tonnes Crushed per Day)
(2) Installed crushing capacity (Tonnes Crushed per Day)
(3) Area under sugarcane (acres)
(4) Average Yield (tonnes/ acres)
(5) Total production of sugarcane in the area (lakh tonnes)
(6) Duration of the season net of stoppage (days)
(iii) Total cane crushed (lakh tonnes)

NOTE: (i) In case the performance has not been upto the accepted norms and if there has been wide fluctuation in the performance, please state the reasons, in brief.

(ii) Please furnish installed capacity, production and efficiency figures in respect of other activities, if any, such as distillery, paper unit, etc.

(iii) Installed capacity, production and efficiency details for existing power cogeneration plant, if any.

(iv) Details of Sugar Development Fund and Levy Sugar Price Equalization Fund dues outstanding on the date of application.

B. Working results:
(for three consecutive years preceding the year in which the application is made)

1. (1) Sales net of Excise Duty
   (i) Sugar
   (ii) Alcohol
   (iii) Any other product
        Total of (i)

(2) Less:
    Direct Production Expenses
(3) Gross Profit (1-2)

(4) Less:
   (a) Manufacturing Expenses
   (b) Administrative Expenses
   (c) Selling & Distribution Expenses
   Total of (4)

(5) Operating Profit before depreciation and interest (3-4)

(6) Add: Other Income

(7) Net Profit before depreciation and interest (5+6)

(8) Less:
   (a) Depreciation
   (b) Interest
   Total of (8)

(9) Net Profit before taxation (7-8)

(10) Less:
   Provision for taxation

(11) Net Profit after tax (9-10)

(12) Equity as at the end of

(13) Return on equity \( [(11)/(12) \times 100] \)

(14) Debt as at the end of

(15) Average interest rate on debt \( [(8b)/(14) \times 100] \)

(16) Weighted average cost of capital
    \[ \left\{ ((12) \times (13) + (14) \times (15)) / ((12) + (14)) \right\} \]

II.

(1) Cane price payable (Rs. Lakhs)
(2) Cane price paid (Rs. Lakhs)
(3) Cane price arrears (Rs. Lakhs)
C. Financial position
(for three consecutive years preceding the year in which the application is made)

1. Sources of Funds

1. Shareholders/owners funds
   (c) Capital
   (d) Reserves & Surplus
   Total

2. Loan Funds
   (a) Secured Loans
      1. Term loans
      2. Sugar Development Fund loans
      3. Working Capital loans
      Total
   (b) Unsecured Loans
      1. From Scheduled Bank(s)/Financial Institutions
      2. Others
      Total

   Total (a+b)

   Total of (l)

II. Application of Funds

1. Fixed Assets

   (b) Gross Block
      Less: Depreciation
   (b) Net Block
      Add: Capital Work in Progress
      Total

2. Investments

<table>
<thead>
<tr>
<th>Year ended</th>
<th>200</th>
<th>200</th>
<th>200</th>
</tr>
</thead>
<tbody>
<tr>
<td>200</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. Working Capital

3.1 Current Assets, Loans & Advances

(a) Inventories
(b) Sundry Debtors
(c) Cash & Bank balances
(d) Other current assets
(e) Loan & advances
Total (a to e)

3.2 Current Liabilities & Provision

(a) Current Liabilities
(b) Provisions
Total (a+b)

Working Capital (3.1 minus 3.2)

Total of (II)

VI. Management:

(a) Board of Directors
(b) Executive set-up

VII A. (1) Brief description of the proposed project and how the project is expected to improve the operations/viability of the concern (enclose a copy of the project report).

(2) Proposed power plant capacity (Megawatts)

(3) Project implementation period (months)

(4) Project features (proposed)

(a) No. of days of plant operation:
(b) No. of boilers to be installed:
(c) Capacity of the Boiler:
(d) Boiler Outlet Steam Parameters:
(e) Fuels used for the boiler:
(f) No. of turbogenerators to be installed:
(g) Turbogenerator type and capacity:
(h) Gross Power Generation (Megawatts):
(i) Power Plant in-house power consumption (Megawatts):
(j) Power supplied to sugar plant (Megawatts):
(during off season and season)

(k) Marketable power surplus (Megawatts):

(l) Transmission losses (%):

(m) Annual energy sales (Kilowatt hour):

(n) Cost of bagasse at site:
   (Rs./ Metric tonne)

(o) Cost of power (Rs./Megawatts)

(p) Plant load factor

(q) Bagasse requirement for the boiler (Metric Tonnes):

(r) Annual requirement of bagasse (Metric Tonnes):

(s) Quantity of bagasse generated by sugar factory
   (Metric tonnes/year)

B. Financial Details as appraised (Rs. lakh)

(1) Capital cost of project

(2) Sources of financing

   Equity:

   (b) Promoters' contribution

   Debt:

   (c) Sugar Development Fund loan

   (d) Term loan

   Total Investment

C. Project viability details

(8) Average return on Equity* (%)

(9) Average interest rate on debt* (%)  

(10) Weighted average cost of capital* (%)  

(11) Average Debt Service Coverage Ratio  

(12) Payback period (years)

(13) Net Present Value (Rs. '000)

(14) Internal Rate of Return (IRR) (%)  

*Simple ten year average of the corresponding entry in
Annexure to Form VIII.

VIII Whether the project has been approved by an all-India
Financial Institution/ Scheduled Bank for assistance
under its relevant scheme (name of the scheme and
pattern of funding of the scheme):
(c) If so, enclose a certified true copy of the “Letter of Intent” issued by the Lead Institution
(d) List out any condition(s) of material nature stipulated by the Lead Institution including rate of interest, repayment period and security.

| IX | Please furnish the project profitability and cash flow statement in the proforma at Annexure to Form VIII. |

| Place: | Signature: ____________________ |
| Date: | Designation: ____________________ |

Name & Address of the sugar undertaking (Occupier)

ANNEXURE TO FORM-VIII

PROJECT PROFITABILITY AND CASH FLOW STATEMENT
(for the year of investment and subsequent 10 years of operation)

| Year ended | 200 | 200 | 200 | .... |
| (Rs. in lakhs) |

Capacity Utilization (%)  

I. PROFITABILITY OF THE PROJECT

(1) Sales net of duties/taxes

(2) Less: Direct Production Expenses

(3) Gross Profit (1-2)
(4) Less:
   (a) Manufacturing Expenses
   (b) Administrative Expenses
   (c) Selling & Distribution Expenses
   Total of (4)

(5) Operating Profit before depreciation and interest (3-4)

(6) Add: Other Income

(7) Net Profit before depreciation and interest (5+6)

(8) Less:
   (a) Depreciation
   (b) Interest
   Total of (8)

(9) Net Profit before taxation (7-8)

(10) Less:
   Provision for taxation

(11) Net Profit after tax (9-10)

(12) Equity as at the end of

(13) Return on equity [(11)/(12)\times 100]

(14) Debt as at the end of

(15) Average interest rate on debt [(8b)/(14)\times 100]

(16) Weighted average cost of capital
    \[{((12)\times (13) + (14)\times (15))/((12)+(14))}\]

II. CASH FLOWS

1. Net Profit after tax (see item I (11))

2. Add: Items debited to profit & loss account
   (e) Depreciation
   (f) Interest expenses
   (g) Income tax provisions
   (h) Other non-cash debits
   Total of (2)
3. Total (1+2)

4. Less: Items credited to profit & loss account
   (a) Interest income
   (b) Dividend income
   (c) Other credits (to specify)
   Total of (4)

5. Total (3-4)

6. Less:
   (a) Interest paid
   (b) Income tax paid
   (c) Dividends paid
   Total of (6)

7. Total (5-6)

8. Add: Revenue Receipts actually received
   (a) Interest
   (b) Dividend
   (c) Other receipts (to specify)
   Total of (8)

9. Total (7+8)

10. Working Capital Changes
   (i) Add:
       (a) Decrease in sundry debtors/ receivables
       (b) Decrease in inventories
       (c) Increase in sundry creditors/ payables
       Total of (i)

   (ii) Less:
       (a) Increase in sundry debtors/ receivables
       (b) Increase in inventories
       (c) Decrease in sundry creditors/ payables
       Total of (ii)
Total of item 10 [(i) - (iii)]

11. Cash flow from operations (9+10)

12. Capital Items

(i) Add:

(a) Issue of share Capital
(b) Issue of Debentures
(c) Long term loans
(d) Sale of Assets

Total of (i)

(ii) Less:

(a) Investment in Project
(b) Redemption of Capital
(c) Redemption of Debentures
(d) Repayment of long-term loans

Total of (ii)

Total of item 12 [(i) - (ii)]

13. Total net cash flow (11+12)*.

Note:—The principal rules were published in the Gazette of India vide number G.S.R. 752(E) dated 28-09-1983 and subsequently amended vide:—

(i) GSR 817 (E) dated 20.12.1984;
(ii) GSR 838 (E) dated 14.11.1985;
(iii) GSR 551 (E) dated 06.05.1988;
(iv) GSR 235 (E) dated 24.04.1991;
(v) GSR 441 (E) dated 28.04.1992;
(vi) GSR 435 (E) dated 06.05.1994;
(vii) GSR 27 (E) dated 12.01.1996;
(viii) GSR 656 (E) dated 21.11.1997;
(ix) GSR 91 (E) dated 12.02.2001;
(x) GSR 886 (E) dated 06.12.2001;
(xi) GSR 443 (E) dated 21.06.2002; and
(xii) GSR 584 (E) dated 19.08.2002.
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 25th March, 2003

G.S.R. 241(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Second Amendment) Rules, 2003.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, in Sub-rule (3) of Rule 19, for the proviso, the following proviso and explanation shall be submitted, namely:—

"Provided that the share of each occupier shall be determined on the basis of production of the sugar undertaking in a particular sugar year and the stock of sugar held with that sugar undertaking on a particular day and such other criterion."

Explanation:—In this sub-rule, the expression "a particular day" means the date of share determination made on or after the commencement of 2002—2003 sugar year or such year in which buffer stock is created.

(F. No. 1-5/2003-SDF)

R. P. BHAGARIA, Director

Note:—The principal rules were published in the Gazette of India vide number GSR 752(E) dated 28-9-1983 and subsequently amended vide:

(i) GSR 871(E) dated 20-12-1984;
(ii) GSR 138(E) dated 14-11-1985;
(iii) GSR 551(E) dated 6-5-1988;
(iv) GSR 735(E) dated 24-4-1991;
(v) GSR 444(E) dated 28-4-1992;
(vi) GSR 435(E) dated 6-5-1994;
(vii) GSR 27(E) dated 12-1-1996;
(viii) GSR 656(E) dated 21-11-1997;
(ix) GSR 911(E) dated 12-2-2001;
(x) GSR 886(E) dated 6-12-2001;
(xi) GSR 443(E) dated 21-6-2002;
(xii) GSR 584(E) dated 19-8-2002; and
(xiii) GSR 67(E) dated 29-1-2003;
5. उक्त नियमों में, सिद्धान्त प्रकार 6 में, जो नियम 20 के उपनियम (4) से संबंधित हैं, शीर्ष और उपरांत इसलिए "प्रकार 6.

[नियम 20 का उपनियम (4) देखिए]

दे स्तम्भ पर निम्नलिखित शीर्ष और उपरांत सेंट जाएंगे, अथवा ---

"प्रकार 6" शब्द

[नियम 20(4) देखिए]

[लाख सं 1-26/2003-एसडीएस]
पी, उम्मा सूक्ष्म, संयुक्त सर्विस

टिप्पणी: मूल नियम भारत के राजप्रचार में साऊकाओनितो संख्या 752(अ) तारीख 28.9.1983 द्वारा प्रकाशित किए गए थे और तत्पश्चात् निम्नलिखित द्वारा संशोधित किए गए।
1. साऊकाओनितो संख्या 817(अ) तारीख 20.12.1984
2. साऊकाओनितो संख्या 838(अ) तारीख 14.11.1985
3. साऊकाओनितो संख्या 551(अ) तारीख 06.05.1988
4. साऊकाओनितो संख्या 235(अ) तारीख 24.04.1991
5. साऊकाओनितो संख्या 441(अ) तारीख 28.04.1992
6. साऊकाओनितो संख्या 435(अ) तारीख 06.05.1994
7. साऊकाओनितो संख्या 27(अ) तारीख 12.01.1996
8. साऊकाओनितो संख्या 656(अ) तारीख 21.11.1997
9. साऊकाओनितो संख्या 91(अ) तारीख 12.02.2001
10. साऊकाओनितो संख्या 886(अ) तारीख 06.12.2001
11. साऊकाओनितो संख्या 443(अ) तारीख 21.06.2002
12. साऊकाओनितो संख्या 584(अ) तारीख 19.08.2002
13. साऊकाओनितो संख्या 67(अ) तारीख 29.01.2003 और
14. साऊकाओनितो संख्या 241(अ) तारीख 25.03.2003
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
(Department of Food and Public Distribution)  
NOTIFICATION  
New Delhi, the 6th October, 2003

G.S.R. 78(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:-

1. (1) These rules may be called the Sugar Development Fund (Third Amendment) Rules, 2003.

(2) They shall come into force on the date of the publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983 (herein after referred to as the said rules), in rule 19, after sub-rule (14), the following sub-rule shall be inserted, namely:-

"(14A) Subject to the provisions of sub-rule (14), the Central Government may, in exceptional circumstances, authorize an advance payment of seventy five percent of the amount payable as subsidy towards storage, insurance and interest charges for a period as that Government may decide, calculated in the manner provided in sub-rule (15) to a sugar factory that has set apart the required quantity of sugar as buffer stock provided the sugar factory has furnished the following in writing to the Central Government, namely:-

(i) the rate of interest at which advance has been obtained by it on pledging the buffer stock of sugar with any scheduled bank or any
State Co-operative Bank or Central Co-operative bank referred to in sub-rule (14);

(ii) the average actual realization per quintal of sugar on the sale of non-levy sugar in the open market for a three month period ending on the date from which the buffer stock is required to be held; and

(iii) an undertaking in Form VI-A:

Provided that in respect of the buffer stock being maintained for a year with effect from 13th December, 2002, the Central Government may authorize payment to a sugar factory that has set apart the required quantity of sugar as buffer stock and furnished an undertaking in Form VI-A, an advance payment of seventy five per cent of the amount payable as subsidy towards storage, insurance and interest charges for a year, calculated in the manner provided in sub-rule (15), on the basis of the information furnished in columns 7 and 8 of Form V in respect of the claim preferred by it for the period 13th December, 2002 to 31st March 2003:

Provided further that the amount so paid as advance shall be adjusted, against the amounts that may become due on the basis of claims preferred by the sugar factory in Form V referred to in sub-rule (16), at the end of the period for which the advance had been paid:

Provided also that where complete claims for the entire period for which the buffer stock is required to be maintained, are not preferred within a period of one month after such period, the entire amount of advance paid or an amount as decided by the Central Government shall be refunded by the sugar factory:

Provided also that if, during the period for which advance has been paid, a sugar factory has not-
(a) paid the cess on sugar under sub-section (1) of section 3 of the Sugar Cess Act, 1982 (3 of 1982);
(b) furnished the returns and information required under rule 4 of the Sugar Cess Rules, 1982;
(c) complied with the provisions of sub-rule (13); and
(d) furnished to the Central Government or to the Chief Director the monthly return of the quantity of non-levy sugar sold and the amount of sale proceeds.

then, the amount paid as advance shall be recovered forthwith.

3. In the said rules, in rule 20, in sub-rule (4), for the word and figures “Form VI”, the word, figures and letter “Form VI-B” shall be substituted.

4. In the said rules, after Form VI relating to clause (b) of sub-rule (13 A) of rule 19 and before Form VI relating to sub-rule (4) of rule 20, the following Form shall be inserted, namely:-

“FORM-VI-A
[See rule 19 (14A)]

Form for submitting information for advance payment of subsidy towards interest, storage and insurance charges for buffer stock of sugar for the period from_______ to_______

1. Name and address of the sugar undertaking:
2. Reference number and date of communication(a) from the Central Government/Chief Director communicating-
   a) total quantity of sugar to be maintained as buffer stock;
   b) grade-wise and sugar year-wise quantity of sugar to be segregated and stored as buffer stock;
3. Quantity of sugar both in terms of grade-wise and sugar-year wise actually segregated and stored as buffer stock:
4. Rate of interest payable to the Bank for the advance availed for pledging the buffer stock with the Bank:

5. Average actual realization per quintal of sugar on the sale of non-levy sugar in the open market for a three month period ending on the date from which the buffer stock is required to be held:

6. Name of the place nearest to the place of the factory, where the branch of the State Bank of India dealing with the Demand Drafts issued by the Reserve Bank of India is situated:

7. Name and address of the Bank from which the additional credit on the buffer stock, if any, has been received:

Place: Signature:
Date: Name of occupier:

Name and designation of the authorised signatory:
Name and address of the sugar Undertaking:

DECLARATION

(1) I hereby solemnly affirm and declare that the information furnished above is correct and no information relevant for the purpose of this application has been concealed.

(2) I hereby undertake to comply with all the requirements of sub-rule (14A) of rule 19 of the Sugar Development Fund Rules, 1983 and if it is subsequently found that any provision has not been complied with, I undertake to refund to the Central Government such amount of subsidy received by me as may be decided by that Government.

2879 G1/63-2
(3) I hereby also undertake to refund such amount as may be decided by the Central Government, under the first proviso to sub-rule (14A) of rule 19 of the aforesaid rules.

Place: 
Data: 
Name of the occupier: 
Designation: 
Name and address of the sugar undertaking:

5. In the said rules, in the existing Form VI, relating to sub-rule (4) of rule 20, for the heading and sub-heading “Form VI [see sub-rule (4) of rule 20]”, the following heading and sub-heading shall be substituted, namely:

“Form VI-B [see rule 20 (4)].”

[F. No 1-26-2003-SDF] 
P. UMA SHANKAR, Jr. Secy

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi the, 19th November 2003.

GSR 895(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Fourth Amendment) Rules, 2003.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In rule 20 of the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), after sub-rule (7), the following sub-rule shall be inserted, namely:—

"(7A) For the purposes of reimbursement of expenditure incurred on internal transport and freight charges on export shipments of sugar, a sugar factory may be allowed to claim, and may be paid, the following:—

(i) An amount calculated at the rate of three hundred and fifty rupees per tonne, in respect of the quantity of sugar exported by it by sea from an Indian Port, on or after the 14th day of February 2003; and

(ii) Handling and marketing charges at the rate of five hundred rupees per tonne on the quantity of sugar exported by it on or after the 3rd day of October, 2003."

3. In the said rules, in Form VI, in item 8, after sub-item (d), the following sub-item shall be inserted, namely:—

"(e) Whether the export consignment was transported by sea
(Yes/No)."

[F.No. 1-35/2003-SDF]

S.B. BISWAS, Director

Note:—The principal rules were published in the Gazette of India vide number GSR 752 (E) dated 28-09-1983 and subsequently amended vide:—

(i) GSR 817 (E) dated 20-12-1984;
(ii) GSR 838 (E) dated 14-11-1985;
(iii) GSR 551 (E) dated 06-05-1988;
(iv) GSR 235 (E) dated 24-04-1991;
(v) GSR 441 (E) dated 28-04-1992;
(vi) GSR 435 (E) dated 06-05-1994;
(vii) GSR 27 (E) dated 12-01-1996;
(viii) GSR 656 (E) dated 21-11-1997;
(ix) GSR 91 (E) dated 12-02-2001;
(x) GSR 886 (E) dated 05-12-2001;
(xi) GSR 443 (E) dated 21-06-2002;
(xii) GSR 584 (E) dated 19-08-2002;
(xiii) GSR 67 (E) dated 29-01-2003;
(xiv) GSR 241 (E) dated 25-3-2003; and
(xv) GSR 787 (E) dated 06-10-2003.

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NOTIFICATION

New Delhi, the 17th December, 2003

G.S.R. 953(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (1 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Fifth Amendment) Rules, 2003.

(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Sugar Development Fund Rules, 1983, in rule 16, subsection (9), after clause (ii), the following clause (iii-A) shall be inserted, namely:

“(iii-A) (a) The sugar undertaking shall, after the execution of the agreement referred to in clause (i) above, and before the disbursement of the loan under sub-rule (7), furnish security for the loan to the satisfaction of the Central Government.

(b) The security shall cover the amount of loan and interest thereon for the full period of repayment as provided in clause (iv), and shall be furnished in any of the following manners, namely:

(1) Bank Guarantee from a Scheduled Bank, or

(2) A mortgage or all immovable and movable properties of the sugar undertaking on part passu charge basis failing which on the basis of an exclusive second charge.”

G.S.R. 72(B).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2004.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, (hereinafter referred to as the said rules), in the heading of Chapter XI, after the words, "Ethanol from Alcohol", the words "or from Molasses" shall be inserted.

3. In the said rules, in rule 22,—
(a) in sub-rule (1),—
(i) in clause (b), the word "or" shall be inserted at the end;
(ii) after clause (b), the following clause (c) shall be inserted, namely:—
"(c) the sugar factory having an installed capacity of 2500 Tonnes per day or higher is implementing a project appraised by a Financial Institution or a Scheduled Bank, for the production of any alcohol or ethanol from molasses and has been approved financial assistance by the said Financial Institution or Scheduled Bank and undertakes to meet at least ten per cent of the cost of the project from its own resources as part of the promoter's contribution required by the Financial Institution or the Scheduled Bank, as the case may be."
(b) in sub-rule (10), after clause (b), the following clause shall be inserted, namely:—
"(c) In respect of a sugar factory that has applied for a loan, falling under clause (c) of sub-rule (1), the Central Government may after consideration of the recommendation of the Committee and any other relevant factor with a view to improving its viability, authorize payment of an amount of loan not exceeding forty per cent of the eligible project cost, from the Fund."
(c) in sub-rule (12), after the word, brackets and letter "clause (a)," the words, brackets and letter "or clause (c)," shall be inserted.

4. In the said Rules, in form VII,—
(a) in the Heading, after the words "OR ETHANOL FROM ALCOHOL", the words "OR FROM MOLASSES" shall be added;
(b) in serial number 5, in item (7) relating to production, after sub-item (c) relating to ethanol, the following sub-item shall be inserted, namely—
"(d) molasses"

[PART II—SEC. 5]


MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Deportment of Food and Public Distribution)

NOTIFICATION

New Delhi, the 23rd January, 2004

S. B. BISWAS, Director

P. No. 8-4/2003-SDF

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MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
(Department of Food and Public Distribution)  

NOTIFICATION  
New Delhi, the 21st October, 2004  

G.S.R. 687(E).— In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—  

1. (1) These rules may be called the Sugar Development Fund (Second Amendment) Rules, 2004.  
(2) They shall come into force on the date of their publication in the Official Gazette.  

2. In the Sugar Development Fund Rules, 1983, (hereinafter referred to as the said rules), in rule 2, after clause (h), the following clause shall be inserted, namely:—  

“(bb) "bank rate", means the standard rate as made public by the Reserve Bank of India under section 49 of the Reserve Bank of India Act, 1934 (2 of 1934) and prevailing on the date of disbursement of the instalment of the loan by the Government;”.

3. In the said rules, in rule 16, in sub-rule (9), in clause (iii),—  

(i) for the figure and words “9 per cent per annum”, the words, “two per cent below the bank rate” shall be substituted;  

(ii) for the words “six percent per annum”, the words, “two per cent below the bank rate” shall be substituted;  

4. In the said rules, in rule 17,—  

(i) in sub rule (3), in clause (a), for the figure and words “9 per cent per annum”, the words, “two per cent below the bank rate” shall be substituted.
5. In the said rules, in rule 17A, in sub-rule (8), for the words “nine per cent per annum”, the words, “two per cent below the bank rate” shall be substituted.

6. In the said rules, in rule 21, -
   (i) in sub-rule (11), in clause (iii) for the words “six per cent per annum”, the words, “two per cent below the bank rate” shall be substituted;
   (ii) in sub-rule (12), in clause (iii) for the words “six per cent per annum”, the words, “two per cent below the bank rate”, shall be substituted.

7. In the said rules, in rule 22, in sub-rule (13), for the words “six per cent per annum, which may be revised by the Central Government from time to time”, the words “two per cent below the bank rate”, shall be substituted.

8. In the said rules, in rule 23, in sub-rule (13), for the words “six per cent per annum, which may be revised by the Central Government from time to time”, the words “two percent below the bank rate”, shall be substituted.

[F. No. 1-12/2004-SDF]

P. UMA SHANKAR, Jt. Secy.

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 9th November, 2004

G.S.R. 739(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Third Amendment) Rules, 2004.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, in rule 20, in sub-rule (4), after the existing proviso, the following proviso shall be inserted, namely:—

"Provided further that in respect of export shipments made on or after the 21st day of June 2002 against Release Orders issued up to 20th day of June 2004, the claims may be preferred within ninety days of the issue of the Bank Certificate and in case the factory fails to prefer the claims within the said period of ninety days, then it may submit the claims in another ninety days. In case the claim is submitted after the first ninety days from the date of issue of the Bank Certificate but within the next ninety days, there shall be deduction of 10% of the amount admissible under this rule and the resulting amount shall be paid to the sugar factory. No claim shall be entertained after a period of one hundred and eighty days from the date of issue of Bank Certificate mentioned above."

[F. No. 9-4/04-SPF]

P. UMA SHANKAR, Jt. Secy.

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 2nd March, 2005

G.S.R. 149(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2005.

2. (i) They shall come into force on the date of publication in the Official Gazette.

2. In rule 20 of the Sugar Development Fund Rules, 1983, after Sub-rule (7A), the following Explanation shall be inserted, namely:—

"Explanation—For the purposes of this Sub-rule, "reimbursement" means the amount payable in respect of clauses (i) and (ii) irrespective of the actual expenditure incurred by the sugar factory or any one else on behalf of such sugar factories in actual export shipment of sugar."

(F. No.1-351/003-SDF)

P. UMASHANKAR, Jt. Secy.

Note: The principal rules were published in the Gazette of India vide number GSR 732(E) dated 28-09-1983 and subsequently amended vide:—

(i) GSR 817(E) dated 20-12-1984;

(ii) GSR 838(E) dated 14-11-1985;

(iii) GSR 551(E) dated 06-05-1988;

(iv) GSR 235(E) dated 24-04-1991;

(v) GSR 441(E) dated 28-04-1992;

(vi) GSR 435(E) dated 06-05-1994;

(vii) GSR 27(E) dated 12-01-1996;

(viii) GSR 656(E) dated 21-11-1997;

(ix) GSR 91(E) dated 12-02-2001;

(x) GSR 866(E) dated 06-12-2001;

(xi) GSR 445(E) dated 21-06-2002;

(xii) GSR 584(E) dated 19-08-2002;

(xiii) GSR 67(E) dated 29-01-2003;

(xiv) GSR 241(E) dated 25-3-2003;

(xv) GSR 787(E) dated 6-10-2003;

(xvi) GSR 895(E) dated 19-11-2003;

(xvii) GSR 953(E) dated 17-12-2003;

(xviii) GSR 71(E) dated 23-01-2004;

(xix) GSR 687(E) dated 21-10-2004 and

(xx) GSR 739(E) dated 09-11-2004.
G.S.R. 453(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Second Amendment) Rules, 2005.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, after rule 23, the following chapter shall be inserted, namely:—

"Chapter XIII

Special provision relating to calculation of rate of interest in certain cases

24. (1) Notwithstanding anything contained in rules 16, 17, 21, 22 and 23, on and from the date of commencement of the Sugar Development Fund (Second Amendment) Rules, 2005, the rate of interest on all loans outstanding on the date of commencement of the Sugar Development Fund (Second Amendment) Rules, 2004 shall be two per cent below the bank rate as was prevailing on the 21st day of October, 2004.

(2) In respect of loans outstanding as mentioned in sub-rule (1), the rate of interest during the period between the date of commencement of the Sugar Development Fund (Second Amendment) Rules, 2004 and the commencement of the Sugar Development Fund (Second Amendment) Rules, 2005 shall be two per cent below the bank rate prevailing as on the 21st day of October, 2004, and any interest paid or charged in excess thereof for the said period shall be credited to the account of the loanees sugar undertaking.

(3) In case of default in repayment of the amount of loan, or payment of any installment thereof or interest thereon, an additional rate of interest at the rate of two and half per cent per annum on the amount of default till such repayment or payment of installment or interest as the case may be, shall be payable by the sugar undertaking".

[F. No. 1-12/2004-SDF]

P. UMASHANKAR, Jt. Secy.
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Department of Food and Public Distribution)

NOTIFICATION
New Delhi, the 15th September, 2006

G.S.R. 558(E)—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:-

1. Short title and commencement.—(1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2006.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), in rule 16, in sub-rule (1), for the portion beginning with the words “Any sugar undertaking” and ending with the words “eligible for a loan under this rule”, the following shall be substituted, namely:-

“A sugar undertaking shall ordinarily be eligible for a loan under this rule—

(a) if it is approved by a financial institution or a scheduled bank for financial assistance for the purpose of rehabilitation or modernization of its plant and machinery; and

(b) the rehabilitation or modernization project has been duly appraised by a financial institution or a scheduled bank or sponsored by the Technology Information, Forecasting and Assessment Council in respect of the Scheme Mission Mode Project on Sugar Production Technologies of the Department of Science and Technology.”

3. In clause (a) and third proviso to clause (b) of sub-rule (6) of rule 16, sub-rule (7), sub-rule (8), clause (i), clause(ii) and clause (iv) of sub-rule (9), sub-rule (11) of rule 16 and in items VIII, IX, X, and XI of FORM-II and in the note to ANNEXURE-I TO FORM-II, for the words “finanical institution”, the words “financial institution or a scheduled bank, as the case may be” shall be substituted.

[F.No.1-3/2006-SDF]
Dr. JOY I. CHENNATH, Jt. Secy.

Footnote: (i) GSR 817 (E) dated 20.12.1984; (xi) GSR 584 (E) dated 19.08.2002;
(ii) GSR 838 (E) dated 14.11.1985; (xii) GSR 67 (E) dated 29.01.2003;
(iii) GSR 551 (E) dated 06.5.1986; (xiv) GSR 241 (E) dated 25-3-2003;
(iv) GSR 235 (E) dated 24.04.1991; (xv) GSR 787 (E) dated 6.10.2003;
(v) GSR 441 (E) dated 28.04.1992; (xvi) GSR 895 (E) dated 19.11.2003;
(vi) GSR 435 (E) dated 06.5.1994; (xvii) GSR 953 (E) dated 17.12.2005;
(vii) GSR 27 (E) dated 12.01.1996; (xviii) GSR 72 (E) dated 23.1.2004;
(viii) GSR 656 (E) dated 21.11.1997; (xix) GSR 697 (E) dated 21.1-0.2004;
(ix) GSR 91 (E) dated 12.02.2001; (xx) GSR739 (E) dated 9.11.2004;
(x) GSR 886 (E) dated 06.12.2001; (xxi) GSR 149 (E) dated 2.3.2005;
(xi) GSR 443 (E) dated 21.06.2002; (xxii) GSR 451 (E) dated 4.7.2003;
3. The Gazette of India: Extraordinary

PART II—SEC. 36G.

3. The Gazette of India: Extraordinary

(i) Notification 17, 19-1-1992, 14-11-1995; and

(ii) Notification 17, 19-1-1992, 14-11-1995; and

(iii) Notification 17, 19-1-1992, 14-11-1995; and

(iv) Notification 17, 19-1-1992, 14-11-1995; and

(v) Notification 17, 19-1-1992, 14-11-1995; and

(vi) Notification 17, 19-1-1992, 14-11-1995; and

1. In the Sugar Development Fund Rules 1983, after rule 24, the following chapter shall be inserted, namely:—

Chapter XIV

Security, interest and additional interest on Sugar Development Fund loans

25. (1) The security, interest and additional interest for the loans given under Sugar Development Fund Rules 16, 17, 21, 22, and 23 from the Fund shall be governed as follows.

(2) The loans shall carry a concessional rate of simple interest of 2% below the Bank Rate.

(3) In case of any default in repayment of the amount of loan or payment of any instalment thereof or interest thereon (in accordance with the Rules), an additional interest at the rate of two and half per cent per annum on the amount of default shall be payable by the sugar factory.

(4) The sugar factory shall, after the execution of the agreement required to be entered into and before the disbursement of the loan under Rules, furnish security for the loan to the satisfaction of the Central Government.

(5) The security shall cover the amount of loan and interest thereon for the full period of repayment as provided in the Rules and further additional interest on the amount of default as provided in sub-rule (3) above, and shall be furnished in any of the following manners namely:—

(i) Bank Guarantee from a Scheduled Bank; or

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Deartment of Food and Public Distribution)

NOTIFICATION

New Delhi, the 9th March, 2007

G.S.R. 188(E)—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2007.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules 1983, after rule 24, the following chapter shall be inserted, namely:—

Chapter XIV

Security, interest and additional interest on Sugar Development Fund loans

25. (1) The security, interest and additional interest for the loans given under Sugar Development Fund Rules 16, 17, 21, 22, and 23 from the Fund shall be governed as follows.

(2) The loans shall carry a concessional rate of simple interest of 2% below the Bank Rate.

(3) In case of any default in repayment of the amount of loan or payment of any instalment thereof or interest thereon (in accordance with the Rules), an additional interest at the rate of two and half per cent per annum on the amount of default shall be payable by the sugar factory.

(4) The sugar factory shall, after the execution of the agreement required to be entered into and before the disbursement of the loan under Rules, furnish security for the loan to the satisfaction of the Central Government.

(5) The security shall cover the amount of loan and interest thereon for the full period of repayment as provided in the Rules and further additional interest on the amount of default as provided in sub-rule (3) above, and shall be furnished in any of the following manners namely:—

(i) Bank Guarantee from a Scheduled Bank; or
(n) A mortgage on all immovable and movable properties of the sugar factory on pari passu first charge basis failing which on the basis of an exclusive second charge:

Provided that in case of sugarcane development loan under Rules 17 and 21, a cooperative sugar factory can furnish the security in the form of State Government Guarantee.

(f) In case of two consecutive defaults in repayment of the loan or instalment thereof, the Central Government shall realise the entire amount of loan along with the interest and the additional interest thereon from any of the security provided for the loan under sub-rule (5) above or any claim of the sugar factory against the Central Government."

3. The following sub-rules shall be deleted:—

(i) in Rule 16, sub-rule (9), clause (ii-A) ; and clause (iii)

(ii) in Rule 17, sub-rule (3), clause (g), the words from “The amount of loan” to “two per cent below the bank rate and”; and sub-rule 3(b).

(iii) in Rule 17 A, sub-rules (8) (11) and (12);

(iv) in Rule 21, in sub-rule (11) clause (iii) and in sub-rule (13) clause (iii);

(v) in Rule 22, sub-rules (13), (16) and (18) and proviso under sub-rule 18;

(vi) in Rule 23, sub-rules (15), (16) and (18) and proviso under sub-rule 18.

Footnote: The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i) dated 28.9.1983 vide No. G.S.R. 752(E) and were previously amended by the following notifications:—

(i) GSR 817(E) dated 20-12-1984;

(ii) GSR 838(E) dated 14-11-1985;

(iii) GSR 551(E) dated 6-5-1986;

(iv) GSR 235(E) dated 24-4-1991;

(v) GSR 441(E) dated 28-4-1992;

(vi) GSR 435(E) dated 6-5-1994;

(vii) GSR 27(E) dated 12-1-1996;

(viii) GSR 656(E) dated 21-11-1997;

(ix) GSR 91(E) dated 12-2-2001;

(x) GSR 886(E) dated 6-12-2001;

(xi) GSR 443(E) dated 21-6-2002;

(xii) GSR 584(E) dated 19-8-2002;

(xiii) GSR 67(E) dated 29-1-2003;

(xiv) GSR 241(E) dated 25-3-2003;

(xv) GSR 787(E) dated 6-10-2003;

(xvi) GSR 895(E) dated 19-11-2003;

(xvii) GSR 953(E) dated 17-12-2003;

(xviii) GSR 72(E) dated 23-1-2004;

(xix) GSR 687(E) dated 21-10-2004;

(xx) GSR 739(E) dated 9-11-2004;

(xxi) GSR 149(E) dated 2-3-2005;

(xxii) GSR 451(E) dated 4-7-2005;

(xxiii) GSR 558(E) dated 15-9-2006.
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 7th November, 2007

G.S.R. 697(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Second Amendment) Rules, 2007.
   
   (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, after rule 20, the following rule shall be inserted, namely.—

"20 A. Defraying Expenditure on Internal Transport and Freight Charges on Export Shipment of Sugar.—(1) Notwithstanding anything contained in these rules, the Central Government may, from time to time, decide to defray expenditure for the purposes of internal transport and freight charges which would include ocean freight, handling and marketing charges on exports of domestically manufactured sugar.

(2) Any sugar factory, which has exported its manufactured sugar under Open General Licence but not under 'advance licence', either itself or through an exporter or through any third party exporter within the time period announced by the Central Government, shall be eligible for payment from the Central Government, the amounts as specified hereunder—

(a) for the sugar manufactured by the sugar mills located in the coastal states in India, the payment shall be rupees 1550 per tonne of sugar exported; and

(b) for the sugar manufactured by the sugar mills located in other than the coastal States of India, the payment shall be at a rate of rupees 1450 per tonne of sugar exported:
Provided that the payment for the exports made to neighbouring countries solely by road or rail or by both, not involving movement by sea or ocean, shall be the actual expenditure incurred on the charges referred to in sub-rule (1) calculated as per Appendix annexed hereto or shall be as referred to in clause (a) or clause (b) of sub-rule (2) whichever is less:

Provided further that any refined sugar exported under Open General Licence by a sugar factory or a sugar refinery or through an exporter by way of value addition to raw sugar obtained as input from a domestic sugar manufacturer, shall be considered to be export of domestically manufactured sugar, and the sugar factory which had originally manufactured the raw sugar shall be eligible to receive the payment referred to in this rule in respect of the quantity of sugar so exported.

Provided also that the raw sugar manufacturer and the sugar refinery shall enter into an agreement, a copy of which shall also be submitted with the claim, which should be in addition to other requisite documents specified in Form IX, clearly indicating the quantity of raw sugar to be supplied and the quantity of refined sugar which shall be produced from the same for exports.

(3) (a) The claim should be submitted within ninety days from the date of issue of last bank certificate of export and realization by the bank for the exports made during the month under consideration.

(b) Delayed submissions beyond ninety days but up to a maximum of one hundred eighty days from the date of issue of last bank certificate of export and realization would be allowed, subject to a deduction of 10 per cent of the admissible amount.

(c) No claim shall be admissible after one hundred eighty days from the date of issue of last bank certificate of export and realization with respect to exports made during the particular month under consideration.

Provided that for the payment of claims for exports which have taken place before issue of this notification, the time limit of one hundred eighty days shall be from the date of issue of this notification or the date of last bank certificate of export and realization for the month of claim, whichever is later.
(4) The admissible amount shall be payable to the sugar factory for the purpose of making payment for the cane price arrears for the sugar season for which export assistance has been announced by the Central Government and of the subsequent sugar season in the following order of preferences, namely:

(a) If the sugar factory has cane price arrears for any of the said sugar seasons as per the cane price arrears position available with the Central Government on date of submission of the claim or the latest information available with the Central Government at the time of finance concurrence, whichever is less, as also Sugar Development Fund or Levy Sugar Price Equalization Fund overdues, then the above payment shall be made to the sugar factory to the extent of cane price arrears for the said sugar seasons notwithstanding the Sugar Development Fund or Levy Sugar Price Equalization Fund overdues and if the amount payable is higher than the cane price arrears at that point of time then the payable amount in excess of cane price arrears shall be adjusted against the Sugar Development Fund overdues and the balance against Levy Sugar Price Equalization Fund overdues.

(b) If the sugar factory has no cane price arrears for the said sugar seasons as per the cane price arrears position available with the Central Government on the date of submission of the claim or the latest information available with the Central Government at the time of finance concurrence, whichever is less, but it has Sugar Development Fund or Levy Sugar Price Equalization Fund overdues, then the above amount payable to sugar factory shall be adjusted against Sugar Development Fund overdues and the balance against Levy Sugar Price Equalization Fund overdues.

(5) (a) The amount received by the sugar factory shall be utilized for making payment of cane price arrears for the sugar season for which export assistance has been announced by the Central Government and of the subsequent sugar season.

(b) The payment towards cane dues shall be made within one month of receipt of the payment.

(c) If the sugar factory does not have cane price arrears of any of the said sugar seasons or the amount so received by the sugar factory is in excess of the cane
price arrears pertaining to the said sugar seasons, as on the date of submission of the claim to the Central Government or the latest information available with the Central Government at the time of finance concurrence, whichever is less, then the amount in excess of the cane price arrears may be used for any other purpose.

(6) (a) The sugar factory shall open a separate exclusive bank account and furnish details of the same at the time of submission of the claim and the authority making such payments to the factory shall do so in such a manner that the same is deposited into this account.

(b) The separate exclusive account shall be utilised by the factory to make payments of cane price dues of the sugar season for which export assistance has been announced by the Central Government and the subsequent sugar season.

(7) The sugar factory shall submit a utilization certificate in the specified proforma (Annexure - 3) to the Department of Food and Public Distribution, New Delhi, to this effect within a period of three months from the date of cheque or demand draft or electronic payment of the payment referred to in sub-rule (2).

Provided that the Central Government may extend the period of submission of the utilization certificate by a maximum period of another three months if it is satisfied that there is a sufficient cause for the delay in submission of the utilization certificate.

(8) If any sugar factory, which has received the payments referred to in sub-rule (2) for exports of sugar, fails to adhere to the provisions of these rules or in case the payment so received is not utilised for payment of cane price dues, if outstanding, within the specified time referred to in sub-rule (7), and the factory does not have any valid reason for the same, the Department of Food and Public Distribution, New Delhi may declare the sugar factory ineligible for such payments and the amount so paid to the factory may be recovered from the concerned sugar factory along with interest at the rate as notified by the Department of Economic Affairs as applicable to private parties, on the date of payment of the claim, plus penal interest of 2.5 per cent per annum either from the differential levy sugar price payable to the sugar factory or any other claim or subsidy payable to the sugar factory by the Central Government in accordance with law.
The sugar mill shall submit its claim for payment referred to in sub-rule (2) separately for each calendar month of export in Form IX duly filled in, along with the documents specified therein, to the Department of Food and Public Distribution, New Delhi.

For the purposes of this rule, the export incentives for exports of sugar announced by the Government of India, Department of Food and Public Distribution vide its order No. 1-2/2007-SPF dated the 27th July, 2007 and any order the Central Government may make from time to time shall apply.

Where the Central Government is of the opinion that it is necessary or expedient so to do, it may, by order and for reasons to be recorded in writing relax any of the provisions of this rule.

[F. No. 1-5/2007-SDF]
N. SANYAL, Lt. Secy.

Note: - The Principal rules were published in the Gazette of India Extraordinary, Part II, Section 3, Sub-section(i) vide number G.S.R. 752(E) dated the 28th September, 1983 and were subsequently amended by the following notifications:

(i) GSR 817 (E) dated the 20th December, 1984;
(ii) GSR 838 (E) dated the 14th November, 1985;
(iii) GSR 551 (E) dated the 6th May, 1986;
(iv) GSR 235 (E) dated the 24th April, 1991;
(v) GSR 441 (E) dated the 28th April, 1992;
(vi) GSR 435 (E) dated the 6th May, 1994;
(vii) GSR 27 (E) dated the 12th January, 1996;
(viii) GSR 656 (E) dated the 21st November, 1997;
(ix) GSR 91 (E) dated the 12th February, 2001;
(x) GSR 886 (E) dated the 6th December, 2001;
(xi) GSR 443 (E) dated the 21st June, 2002;
(xii) GSR 584 (E) dated the 19th August, 2002;
(xiii) GSR 67 (E) Dated the 29th January, 2003;
(xiv) GSR 241 (E) dated the 25th March, 2003;
(xv) GSR 787 (E) dated the 6th October, 2003;
(xvi) GSR 895 (E) dated the 19th November, 2003;
(xvii) GSR 953 (E) dated the 17th December, 2003;
(xviii) GSR 72 (E) dated the 23rd January, 2004;
(xix) GSR 687 (E) dated the 21st October, 2004;
(xx) GSR 739 (E) dated the 9th November, 2004;
(xxi) GSR 149(E) dated the 2nd March, 2005;
(xxii) GSR 451(E) dated the 4th July, 2005;
(xxiii) GSR 558 (E) dated the 15th September, 2006;
(xxiv) GSR 653(E) dated the 19th October, 2006
(xxv) GSR 188(E) dated the 9th March, 2007;
Appendix

[See rule 20A (2) First Proviso]

Rates for defraying expenditure on internal transport and freight charges including handling and marketing charges for exports of sugar to neighbouring countries, not involving movement by sea or ocean

The payment of expenditure on internal transport and freight charges including handling and marketing charges for exports of sugar to neighbouring countries not involving movement by sea or ocean, shall be calculated in the following manner, namely:

1. The payment of expenditure on internal transport and freight shall be restricted as under:
   (i) for the distance from sugar factory to the nearest loading railhead the transportation rate as specified in the Sugar (Price Determination for Production) Order of the relevant sugar season;
   (ii) for the distance from loading railhead nearest to the sugar factory to the railhead nearest to the custom office at the international border, the railway freight by the shortest route;
   (iii) for the distance from railhead nearest to the custom office at the international border, to the custom office at the international border, the transportation rate as specified in the Sugar (Price Determination for Production) Order of the relevant sugar season;
   (iv) where a sugar factory has preferred to transport export consignments of sugar by road instead of railway the claim for payment of expenditure on internal transport and freight charges shall be restricted to the total of transportation charges and railway freight charges as specified in items (i) to (iii) or the actual transportation charges by road incurred by the sugar factory whichever is less.

Explanation.- The restriction imposed in the Sugar (Price Determination of Production) Order of any relevant sugar season as regards the transportation charges shall not apply for the purpose of this para and the sugar factory shall get payment for the full distance between the sugar factory and the nearest railhead.

2. Handling and marketing charges shall be restricted to Rs.12.50 per tonne for each operation of loading or unloading required to be undertaken for the exports.

Note.- The amount shall be restricted to rupees 1350 or rupees 1450 per tonne of sugar exported, if the claimant factory is located in a Coastal State or non-Coastal State, as the case may be.
Form IX
(See rule 20A (9))
APPLICATION FORM FOR DEFRAYING EXPENDITURE ON INTERNAL TRANSPORT AND FREIGHT CHARGES INCLUDING OCEAN FREIGHT AND HANDLING AND MARKETING CHARGES ON EXPORT SHIPMENT OF SUGAR.

(To be furnished in duplicate)

1. Details of manufacturer:-
   (a) Name :-
   (b) Plant code number :-
   (c) Complete address :-
   (d) Telephone(s) number, Fax number and e-mail :-

2. Name and address of exporter:-

3. Month for which the claims are made:-

4. Details of export shipment of sugar:-
   (a) Quantity exported (in tonne):-
   (b) Is the export under advance Licence:-
   (c) Country to which exported :-

5. Date of issue of last bank certificate of export and realization for the exports made during the month.

6. Amount of Claim (in Rs.) :-

7. Cane price arrears (for sugar season for which export assistance announced and subsequent season):-

8. Type of Claim (Tick the type applicable):-
   (a) Type I: Domestically manufactured sugar exported, involving movement by sea/ocean.
   (b) Type II: Domestically manufactured sugar exported, without involving movement by sea/ocean.
   (c) Type III: Export of refined sugar, manufactured from raw sugar of another factory involving movement by sea/ocean.
   (d) Type IV: Exports of refined sugar, manufactured from raw sugar of another factory without involving movement by sea/ocean.
9. Details of documents enclosed:

(i) Copies of all the applications (certified by central excise authorities) for removal of excisable goods [Form - ARE-1 or ARE-2 and ARE-3 (in case of export of refined sugar made by the refinery from raw sugar procured from another factory)] related to exports made in the month mentioned at (3) above.

(ii) In case of export of refined sugar made by the sugar refinery from raw sugar procured from another factory, copy of agreement between the raw sugar manufacturer and the sugar refinery, authenticated by the claimant sugar mill.

(iii) Certificate of "admittance of proof" of exports indicating actual quantity exported issued by central excise authorities and copies certified by the central excise authorities.

(iv) Copies of all bank certificate of export and realization for the month mentioned at (3) above, duly certified in original by the issuing bank, clearly indicating the date of issue of bank certificate of export and realization.

(v) Pre-receipted bill in the prescribed proforma as at Annexure - 1.

(vi) Reconciliation statement of ARE wise quantity dispatched/exported, date of export and details of bank certificate of export and realization for the exports made during the month, as per proforma at Annexure - 2.

(vii) Copies of utilisation certificates, which are due in the proforma at Annexure - 3.

(viii) Affidavit in non-judicial stamp paper of Rs. 50/- (in the proforma at Annexure - 4) that the exports are not under advance license.

(ix) Details of distance and freight in case of exports of sugar to neighbouring countries, not involving movement by sea/ocean in the proforma at Annexure - 5.

(x) Distance certificates for road and or rail issued by the office of collector or deputy commissioner and office of railway goods clerk respectively in the cases where the exports have not been made through sea or ocean.

Place:-- (Name and designation of authorized signatory of the sugar factory)

Date: -- (Please indicate the name and affix the seal)
PRE-RECEIPTED BILL FOR INTERNAL TRANSPORT AND FREIGHT CHARGES INCLUDING OCEAN FREIGHT AND HANDLING AND MARKETING CHARGES ON EXPORT SHIPMENT OF SUGAR.

(To be furnished in duplicate)

Name and address of the factory:-

Received a sum of Rs. __________ (Rupees ____________________________ only)

from the Department of Food and Public Distribution.

DECLARATION:-

1. I hereby solemnly affirm and declare that the information furnished above is correct and no relevant information has been concealed thereof.

2. I hereby declare that the above claim is in full and final settlement against the claim for internal transport and freight charges including ocean freight and handling and marketing charges on export shipment of sugar made during the month of ________ ____________

3. I hereby certify that sugar factory did not receive internal transport and freight charges including ocean freight and handling and marketing charges on export shipment of sugar made during the month of ________ from the Central Government prior to submission of this claim.

4. I hereby undertake to refund to the Central Government such amount of claim received by me along with interest, as may be required if any information given in the claim above is found to be incorrect at any time.

5. I hereby undertake to refund to the Central Government such amount of claim received by me along with interest, as may be required if the amount which was received for payment of cane price dues have not been utilized for the same or if the provision of these rules are not adhered to.

6. I also declare that I am competent to make the foregoing declaration and sign these documents on behalf of the proprietor or partner or company or occupier or owner of the above sugar factory.

Place:__

(Name and designation of authorized signatory of the sugar factory)

Date:__

(Please indicate the name and affix seal & revenue stamp)
Reconciliation statement of application for removal of excisable goods (AREs) wise quantity dispatched/exported and details of bank certificate of export and realization for the exports made in the calendar month under consideration.

Month of exports: - 

Qty exported: - tonne

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Quantity (in tonne) dispatched/exported</th>
<th>ARE</th>
<th>Export date</th>
<th>Bank certificate of export and realization No. &amp; date</th>
<th>Issue date of bank certificate of export and realization</th>
<th>Remarks</th>
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**Total**

Place: - (Name and designation of authorized signatory of the sugar factory)

Date: - (Please indicate the name and affix seal)
Certificate of utilization of amount paid on account of internal transport and freight charges including ocean freight and handling and marketing charges on export shipment of sugar towards clearance of cane price dues of sugar season

This is to certify that the sugar factory has received internal transport and freight charges including ocean freight and handling and marketing charges amounting to Rs. .................... and utilized it for payment of cane price arrears of Rs. .................. within one month of the receipt from the Government.

Or

This is to certify that the sugar factory has received internal transport and freight charges including ocean freight and handling and marketing charges amounting to Rs. .................... and out of which Rs. .................. has been utilized for payment of cane price arrears within one month of the receipt from the Government and the remaining amount of Rs. .................., which was in excess of the cane price arrears against the sugar mill has been utilized for other purposes.

Or

This is to certify that the sugar factory had no cane price arrears on the date of receipt of the payment against internal transport and freight charges including ocean freight and handling and marketing charges amounting to Rs. ..................

Name and designation of authorized signatory of the sugar factory

(Affix official seal)

Signature:
Name:
Designation:
(Affix official seal)

Date: ____________
Place: ____________

(To be signed by the District Cane Officer or a Gazetted Officer of the State Government who is responsible for enforcement and supervision of payment of price of sugarcane by the sugar undertaking)
Affidavit

I, ___________________________ Chairman/Managing Director/General Manager of M/s. ___________________________ do hereby solemnly affirm and certify that quantity of sugar exported during the month of ___________ pertaining to the following application made for removal of excisable goods (AREs) have not been exported under “Advance Licence Scheme”.

ARE Nos. and dates

1.  
2.  
3.  
4.  
5.  
6.  

Place:­ (Name and designation of authorized signatory of the sugar factory)
Date:­ (Please indicate the name and affix seal)

NOTARY
Details of distance and freight in case of exports of sugar to neighbouring countries by rail or road or by both, not involving movement by sea/ocean. (Not applicable if movement includes by sea/ocean):

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Quantity Exported (in tonne)</th>
<th>Destination country of export</th>
<th>From</th>
<th>To</th>
<th>Mode (By sea or road)</th>
<th>Distance</th>
<th>Rate</th>
<th>Admissible amount (in rupees)</th>
<th>Remarks</th>
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Place :-
Date:-(Name and designation of authorized signatory of the sugar factory)
(Please indicate the name and affix seal)
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Department of Food and Public Distribution)

NOTIFICATION
New Delhi, the 8th November, 2007

G.S.R. 999(E).—In exercise of the powers conferred by section 9 of the Sugar Development Act, 1962 (4 of 1962), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. These rules may be called the Sugar Development Fund (Third Amendment) Rules, 2007.

2. They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, after rule 19, the following rule shall be inserted, namely:

"19A. Creation of buffer stock from 2006-2007 sugar season onwards (1).—The Central Government may having regard to the stock of sugar held with the sugar factories, the prospects of sugar production, the requirement of sugar for consumption within the country and export and such other relevant factors as may be considered necessary, decide from time to time, the quantity of sugar to be maintained as buffer stock and the period for which the buffer stock shall be maintained.

(2) The Central Government shall determine the share of each sugar factory having regard to the production of the sugar or the stock held by it or considering the both and the Chief Director (Sugar), Directorate of Sugar, Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution.
shall make factory-wise allocation of buffer stock on such basis as may be specified by the Central Government.

(3) (a) On allocation of buffer stock, every sugar factory shall set apart the quantity allocated as buffer stock and store it in a separate and distinctly identifiable lots and stock within the factory premises:

Provided that the Chief Director (Sugar) may in exceptional circumstances and for the reasons to be recorded in writing, grant exemption to an occupier of the sugar factory from storage of buffer stock within factory premises.

(b) If an occupier contravenes the provisions of clause (a) of sub-rule (3), he shall be ineligible for buffer subsidy for the entire period and the buffer subsidy already paid shall be recovered with due interest thereon at the rate as notified by the Department of Economic Affairs to be charged from private companies plus penal interest of 2.5% per annum.

(4) Every occupier of the sugar factory shall provide necessary safeguards against damage, loss and deterioration in the quality of the sugar stored as buffer and against mixing it with other stocks:

(5) Every occupier of the sugar factory shall insure the buffer stock so set apart against such risk as may be required by the bank with which the buffer stock is pledged for the purpose of securing loan.

(6) (a) Every occupier shall maintain the allocated buffer stock in good condition and in case of any damage or loss to the buffer stock, the occupier of that sugar factory shall replace the same with new stock at his own cost within thirty days of such damage or loss and shall furnish a certificate from the concerned Central Excise Authority for such replacement in Annexure-I of the Form- X along with the claim.
(b) If an occupier fails to adhere to the time limit referred in clause (a) of sub-rule (6), he shall be deemed to have dismantled the buffer stock and shall be ineligible for buffer subsidy for subsequent period including the relevant quarter.

(7) (a) No occupier of a sugar factory shall sell, remove, dispatch or dispose of any quantity of buffer stock without obtaining prior written permission of the Chief Director (Sugar).

(b) If an occupier contravenes the provisions of clause (a) of sub-rule (7), he shall be ineligible for buffer subsidy for the entire period and the buffer subsidy already paid shall be recovered with due interest thereon at the rate as notified by the Department of Economic Affairs to be charged from private companies plus penal interest of 2.5% per annum.

(8) (a) An occupier shall be free to replace the allocated buffer stock with the production of the subsequent sugar season, without any break, to maintain the quality of the buffer stock and shall furnish a certificate from the concerned Central Excise Authority for such replacement in the Annexure-I of the Form- X along with the claim.

(b) If an occupier contravenes the provisions of clause (a) of sub-rule (8), he shall be ineligible for buffer subsidy for the entire period and the buffer subsidy already paid shall be recovered with due interest thereon at the rate as notified by the Department of Economic Affairs to be charged from private companies plus penal interest of 2.5% per annum.
The Chief Director (Sugar) or any officer authorized by the Chief Director (Sugar) may inspect the maintenance of buffer stock in the factory and on inspection, if it is found that the sugar factory has violated any provision of these rules, the sugar factory shall be deemed not to have maintained the buffer stock during the entire period for which the buffer stock has been created and the buffer subsidy, if any, paid shall be recovered with due interest thereon at the rate as notified by the Department of Economic Affairs to be charged from private companies plus penal interest of 2.5% per annum and the sugar factory shall become ineligible for buffer subsidy for subsequent period including the relevant quarter.

All those sugar factories who have-

(a) maintained allocated buffer stock either in full or in part, for the entire period for which the buffer stock has been created, unless permitted to dismantle under sub-rule (7);

(b) availed the additional credit when there are cane price arrears against the sugar factory, and utilized the same for the payment of the cane price arrears provided the bank has not declined to extend such credit to the sugar factory;

(c) submitted the utilization certificates in respect of buffer subsidy, disbursed for earlier quarters as per time schedule specified in sub-rule (20) and the buffer subsidy disbursed including the advance buffer subsidy for buffer stock created `vide notification number G.S.R. S.O. 1326 (E) dated the 17th December, 2002; and

(d) not been specifically declared ineligible by the Chief Director (Sugar) for such buffer subsidy.
shall be eligible to receive the buffer subsidy in respect of the quantity of buffer stock maintained by such sugar factory and for the period in the relevant quarter for which such stock has been maintained:

Provided that a sugar factory shall be ineligible under clause (d) till the time the Chief Director (Sugar) declares it as eligible through a speaking and reasoned order.

(11). The interest, insurance and storage subsidy payable to sugar factories for maintenance of buffer stock shall be admissible at the following rates, namely:

(a) Interest (\(R\)) at the rate as specified by the Department of Economic Affairs, Ministry of Finance, to be charged from the private companies or actual rate of interest for the quarter (excluding additional or penal interest) charged by the bank on advance given to sugar factory against the buffer stock, whichever is less.

Explanation. - The rate of interest specified by the Department of Economic Affairs, Ministry of Finance, as on the date of creation of buffer stock shall be taken into account and shall remain the same during the period for which the buffer stock has been created or extended.

(b) Storage and insurance (\(S\)) at the flat rate of 1.5% per annum on the value of stock as may be notified by the Central Government.

(c) The buffer stock subsidy towards storage and insurance shall be payable only for the period during which the sugar factory has obtained the insurance coverage of the buffer stock, as the storage and insurance subsidy are clubbed together.

(d) The value of the stock (\(V\)), zone-wise, shall be as may be notified by the Central Government and shall remain the same during the period for which the
buffer stock has been created or extended irrespective of the replacement of the buffer stock with production of subsequent sugar seasons.

Explanation. - For the removal of doubts, it is hereby clarified that the valuation of the buffer stock (V) by the Central Government is only for the purpose of calculation of buffer subsidy so as to simplify the procedure and the valuation of the stock would continue to be done by the banks at market rates as per their banking practices.

(12). The buffer subsidy shall be calculated in the following manner, namely:

(I) (a) Interest subsidy on normal credit:

\[ I(a) = \frac{V \times R \times B \times N1 \times P1}{100 \times 365} \quad (366 \text{ for leap year}) \]

(I) (b) Interest subsidy on additional credit:

\[ I(b) = \frac{V \times R \times B \times N2 \times P2}{100 \times 365} \quad (366 \text{ for leap year}) \]

The total interest subsidy payable shall be \( I(a) \) plus \( I(b) \) OR the interest actually paid by the sugar factory whichever is less.

(II) Insurance and Storage subsidy = \( \frac{V \times S \times B \times N3}{100 \times 365} \quad (366 \text{ for leap year}) \)

Total buffer subsidy payable = (I) + (II)

Where B is the buffer stock maintained by the sugar factory, \( N1 \) is the number of days for which the buffer stock has been maintained as certified by the Central Excise Authority in the relevant quarter, \( N2 \) is the number of days with effect from the actual date on which the bank credits the account of the sugar factory with
additional credit till the end of the relevant quarter, \( N \) is the number of days for which the insurance cover was taken for the maintained buffer stock and \( P_1 \) is the percentage of normal advance relating to buffer stock and \( P_2 \) percentage of additional credit.

Explanation.- For the removal of doubts, it is hereby clarified that during the 1st quarter of the creation of buffer stock, the buffer subsidy shall be payable from the date of creation of buffer stock as notified by the Central Government provided the allocated quantity was available with the sugar factory.

(13). The duly filled proforma as per Form-X for payment of the buffer stock subsidy shall be submitted to the Chief Director (Sugar) on quarterly basis starting from the 1st day of creation of the buffer stock.

(14). The admissible buffer subsidy shall be payable to the sugar factory for the purpose of making payment for the cane price including cane price arrears for the sugar season in which the buffer stock has been created and of the subsequent sugar season in the following order of preferences, namely:-

(a) If the sugar factory has cane price arrears for any of the said sugar seasons as per the cane price arrears position available on the date of processing of the claim or on the date of financial concurrence, which ever is less, for that quarter also Sugar Development Fund or Levy Sugar Price Equalization Fund over dues, then the buffer subsidy to the extent of cane price arrears for the said sugar season shall be paid to sugar factory notwithstanding the Sugar Development Fund or Levy Sugar Price Equalization Fund over dues and if the buffer subsidy amount is higher than the cane price arrears at that point of time then the buffer subsidy amount in excess of cane price arrears shall be adjusted against the Sugar
Development Fund over dues and the balance against Levy Sugar Price Equalization Fund over dues.

(b) If the sugar factory has no cane price arrears for the said sugar seasons as per the cane price arrears position available on the date of processing of claim of that quarter but it has Sugar Development Fund or Levy Sugar Price Equalization Fund over dues, then the buffer subsidy amount payable to sugar factory shall be adjusted against the Sugar Development Fund over dues and the balance against Levy Sugar Price Equalization Fund over dues.

(15) The sugar factory shall have a separate bank account for crediting the buffer subsidy amount received and the subsidy shall be utilized as provided in these rules.

(16) (a) The buffer subsidy received by the sugar factory shall be utilized for making payment of cane price including cane price arrears for the sugar seasons in which the buffer stock has been created and of the subsequent sugar season.

(b) The payment towards cane dues shall be made within one month of receipt of the buffer subsidy:

Provided that if the sugar factory does not have cane price arrears of any of the said sugar seasons as on the date of receipt of buffer stock subsidy claim or the buffer subsidy received by the sugar factory is in excess of the cane price including cane price arrears pertaining to the said sugar seasons, then buffer subsidy amount or the amount in excess of the cane price including cane price arrears may be used for any other purpose.

(17) (a) Every occupier shall avail additional credit on creation of buffer stock, when there are cane price arrears at any time during the period for which the buffer stock has been created or extended and the additional credit so given by the banks
shall be utilized only for the purpose of making payment of the cane price including cane price arrears of sugar season in which the buffer stock has been created and of the subsequent sugar season within one month of crediting such amount.

(b) If any Bank authority, which is the principal banker of the sugar factory for extending loan towards working capital, declines to extend the additional credit for whatsoever reason, the sugar factory shall be eligible to get the buffer subsidy to the extent of normal credit calculated in accordance with item (1) (a) of sub-rule (12) and such sugar factory shall submit a certificate from the concerned bank in this regard as per Annexure-III to Form-X.

(18) Every occupier shall furnish the following documents in Form-X to work out the admissible claim of the sugar factory, namely:

(a) certificate from the Central Excise Authority certifying the quantity as per Annexure-I to the Form-X and the period for which buffer stock has been maintained and its replacement, if any;

(b) certificate from the bank certifying the rate of Interest charged by it on amount of loan extended against hypothecated buffer stock and the amount of interest paid or payable by the sugar factory to the bank and amount of additional credit extended by the bank as per Annexure-II to the Form-X;

(c) certificate from the concerned State Government Officer responsible for enforcement of payment of price of sugarcane by the sugar factories certifying utilization of buffer subsidy paid for earlier quarters and the buffer subsidy disbursed for buffer stock created vide notification number G.S.R. S.O. 1326 (E) dated the 17th December, 2002 and utilization of additional credit extended by the bank as per Annexure-IV of the Form-X;
(d) a self certified photocopy of the insurance policy of the concerned insurance agency alongwith a certificate from that insurance agency certifying that the buffer stock of the sugar factory is covered under the insurance policy as per Annexure-V of the Form-X;

(e) certificate from the bank certifying crediting of buffer subsidy amount in a separate bank account as per Annexure-III of the Form-X;

(f) any other document in addition to documents referred to in clauses (a) to (e), which the Central Government may require.

(19) The time limit for submission of the claims and requisite documents alongwith duly filled Form- X for making admissible claim for the relevant quarter shall be three months from the end of the relevant quarter but within permissible extended period of another three months subject to the following deduction in their admissible claim for the relevant quarter, namely:

(i) 0 to 3 months - NIL

(ii) 3 to 6 months - 10% of the subsidy amount payable and thereafter no claim shall be admissible:

Provided that the Central Government may for a valid reason to be recorded in writing, extend the period of submission of claims by such period as it deems fit.

Explanation. - For removal of doubts, it is hereby clarified that the relevant date for determining the date of receipt of the claim shall be the date on which the claim in the Form- X along with the requisite documents, is received by the Chief Director (Sugar) and any document or clarification or revisions furnished by the sugar mill subsequent to the submission of the claim shall be deemed to have been received on the date on which the original claim was received.
(20) Every occupier of the sugar factory shall submit the utilization certificate for buffer subsidy disbursed to him within three months of the disbursal of the buffer subsidy, from the concerned State Government Officer who is responsible for enforcement of payment of cane price by the sugar factories and the concerned bank, certifying that the buffer subsidy amount has been utilized for making payment of cane price including cane price arrears for the sugar season in which the buffer stock has been created and of the subsequent sugar season or the buffer subsidy amount has been utilized as referred to in sub-rule (16) and also the utilization certificate of the last amount of buffer subsidy disbursed in respect of last buffer stock, failing which the buffer subsidy for the relevant quarter shall become inadmissible and shall be recovered from such sugar factory with interest at the rate as notified by the Department of Economic Affairs plus penal interest of 2.5% per annum:

Provided that the Central Government may extend the period of submission of utilization certificate by a further maximum period of three months, if it is satisfied there is sufficient cause for the delay in submission of utilization certificate.

(21) If any sugar factory fails to adhere to the these rules and the Central Government decides to recover the buffer subsidy amount paid to the sugar factory, then the buffer subsidy amount shall be recovered from the concerned sugar factory alongwith interest at the rate as notified by the Department of Economic Affairs plus penal interest of 2.5% per annum either from the levy sugar price differential payable to the sugar factory or any other claim or subsidy payable to the sugar factory by the Central Government in accordance with law.

(22) The Central Government may order dismantling of the buffer stock in phases or in one go and the buffer stock subsidy shall cease to be payable to the extent of dismantling of the buffer stock.

(23) This rule shall be applicable for the buffer stock created for the sugar season 2006-07 and onwards.
(24) Where the Central Government is of the opinion that it is necessary or expedient so to do, it may, by order and for reasons to be recorded in writing relax any of the provisions of this rule."

Explanatory Memorandum. - Under these rules, the Central Government reimburses the interest, insurance and storage charges to the sugar factories for the quantity taken on buffer as subsidy. The subsidy amount is to be used primarily for the payment of cane price including the cane price arrears of the sugar season in which the buffer stock is created and the subsequent sugar season. These rules will not adversely affect any person on account of being admissible for buffer subsidy for buffer stock created from 2006-07 sugar season onwards.

[F. No. 6-2/2007-CC]

N. SANYAL, Jt. Secy.

Note : The principal rules were published in the Gazette of the India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 752(E), dated the 28th September, 1983 and subsequently amended by—

(i) GSR 817 (E) dated 20.12.1984;
(ii) GSR 838 (E) dated 14.11.1985;
(iii) GSR 551 (E) dated 06.5.1986;
(iv) GSR 235 (E) dated 24.04.1991;
(v) GSR 441 (E) dated 28.04.1992;
(vi) GSR 435 (E) dated 06.5.1994;
(vii) GSR 27 (E) dated 12.01.1996;
(viii) GSR 656 (E) dated 21.11.1997;
(ix) GSR 91 (E) dated 12.02.2001;
(x) GSR 886 (E) dated 06.12.2001;
(xi) GSR 443 (E) dated 21.06.2002;
(xii) GSR 584 (E) dated 19.08.2002;
(xiii) GSR 67 (E) dated 29.01.2003;
(xiv) GSR 241 (E) dated 25-3-2003;
(xv) GSR 787 (E) dated 6.10.2003;
(xvi) GSR 895 (E) dated 19.11.2003;
(xvii) GSR 953 (E) dated 17.12.2003;
(xviii) GSR 72 (E) dated 23.1.2004;
(xix) GSR 687(E) dated 21.10.2004;
(xx) GSR739(E) dated 9.11.2004;
(xxi) GSR 149(E) dated 2.3.2005;
(xxii) GSR 451(E) dated 4.7.2005;
(xxiii) GSR 558 (E) dated 15.9.2006;
(xxiv) GSR 697(E) dated 19.10.2006;
(xxv) GSR 188 (E) dated 09.03.2007;
(xxvi) GSR 697 (E) dated 07.11.2007.
Form-X
(See rule 19A of the Sugar Development Fund Rules, 1983)

PROFORMA FOR MAKING ADMISSIBLE CLAIM OF BUFFER STOCK SUBSIDY FOR THE PERIOD FROM .......... TO ........... (QUARTER ENDING .........)

1. Name of the sugar factory.
2. Short Plant Name & Code No.
3. Address of the sugar factory.
   (Please indicate the full address, telephone No., fax No. and e-mail address)
4. Buffer stock allocated, segregated and stored.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Quantity</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

5. Details of buffer subsidy received and utilized during the quarter.
   (a) Amount of buffer subsidy received with the date of receipt.
   (b) No. of bank account in which the amount of buffer subsidy has been credited
   (c) Amount utilized for cane price payment as per utilization certificate.
   (d) If full amount was not utilized for cane price payment, the reasons thereof and the purpose for which it was used.

6. Details of the additional credit availed and utilized during the quarter.
   (a) Amount of additional credit availed with date.
   (b) Name of the Bank and Account No.
   (c) Amount utilized for cane price payment.
   (d) If full amount was not utilized for cane price payment, the reasons thereof.

7. Rate of interest during the quarter.
<table>
<thead>
<tr>
<th>Period</th>
<th>Rate of Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Interest amount actually payable/paid during the quarter.

9. Amount of Subsidy claimed:
   (i) Interest Charges
      a) Interest actually paid/payable
      b) Interest calculated at the rate as prescribed under the rule
      c) Interest charges claimed (least of a) & b) above
   (ii) Storage and Insurance charges @ 1.5% Per annum
   (iii) Total Amount of Subsidy Claimed (i) c) plus (ii) above

10. Name of the place nearest to the place of the factory, where the branch of the State Bank of India dealing with the Demand Drafts issued by the Reserve Bank of India is situated and branch code no.

11. (a) Whether sugar mill has received the buffer subsidy created vide notification dated 17.12.2002?
    (b) If yes, then whether the utilization certificates have been furnished? If so, please indicate the amount of last buffer subsidy received and photocopy of the utilization certificate thereof.

12. The following documents are attached:
   (I) Certificate from the Central Excise Authority in the prescribed proforma;
   (II) Certificates from the Bank(s) in the prescribed proforma;
   (III) Certificate from the concerned cane officer in the prescribed proforma;
   (IV) Self certified copy of Insurance policy and certificate from the Insurance company regarding coverage of buffer stock in the prescribed proforma;
   (V) Pre-receipt with revenue stamp.

**UNDERTAKING / DECLARATION**

1. I undertake to adhere to the provisions of the SDF Rules, 1983.
2. I declare that the information furnished above is correct and no information relevant for the purpose of this application has been concealed.
3. I undertake to utilize the buffer subsidy as provided in Sub-rule 16 of Rule 19A of SDF Rules, 1983.
4. I undertake to refund the entire amount of buffer subsidy with due interest thereon, if at any time it comes to the notice of the Central Government or the Chief Director (Sugar) that information furnished in the Form-X above
was not correct or there has been any violation of the provisions of the SDF Rules, 1983.

Authorized signatory of the sugar factory

Place: __________________________

Date: __________________________

Name: __________________________

Designation: _____________________

(please affix the seal)

Note: Each page of the proforma to be signed and stamped duly mentioning the name and designation of the Signatory.

FOR OFFICIAL USE ONLY

Received the application for buffer stock subsidy claim for the quarter ending ________________ vide Dy. No. ________________ dated ________________

ANNEXURE-X

Certificate to be issued by Central Excise Authority

This is to certify that as per the letter No. ________________ dated ________________ and letter No. ________________ dated ________________ issued by the Directorate of Sugar, M/s ________________ Short Name ________________ Code No. ________________ has created ____ quintals buffer stock on ________________ out of the production of the sugar year ________________ and additional quantity of ____ quintals on ________________ out of the production of the sugar season ________________. It is also certified that the above buffer stock quantity has been held in stock from ________________ and the stock has not fallen below the buffer stock quantity at any point of time during the quarter.

**2. The buffer stock of ____ quintals was replaced with the sugar production of ________________ season on ________________ and subsequently with the production of ________________ season on ________________.

3. The above mentioned buffer stock of ____ quintals is available in the stock till ________________

Signature

Name

Designation

Official Seal of the Central Excise Authority

(Not below the rank of Superintendent of Central Excise)

** Strike out if not applicable.
This is to certify that the information furnished in Column No. 6 (a), (b) & (c), 7 and 8 of the proforma as mentioned below is correct.

1. (a) Amount of additional credit availed with date {column 6(a) of the proforma}
   (b) Name of the Bank and Account No. {column 6(b) of the proforma}
   (c) Amount utilized for cane price payment. {column 6(c) of the proforma}

Or

This is to certify that the sugar factory was not provided additional credit over and above the normal credit against hypothecation of buffer stock due to ..............
(please indicate the reason)

2. Rate of Interest (column 7. and 8. of the proforma) during the quarter and Interest amount actually paid during the quarter as detailed below:

<table>
<thead>
<tr>
<th>Period</th>
<th>No. of days</th>
<th>Quantity</th>
<th>Valuation rate</th>
<th>Principal amount of Advance</th>
<th>%age of Advance</th>
<th>Rate of Interest</th>
<th>Amount of interest charged</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>From</td>
<td>To</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

It is also certified that rate of interest mentioned above does not include any penal or additional interest charged by the bank.

Place:  
Date:  
Signature:  
Name:  
Designation:  
Branch:  
Affix official seal

(To be signed by the authorized officer of the Bank.)
ANNEXURE-III

Certificate from the Bank
(On the letter head of the bank)

This is to certify that the information furnished in Column No. 5 of the proforma as mentioned below is correct.

1(a) Amount of buffer subsidy received with the date of receipt. { column 5(a) of the proforma}

(b) No. of bank account in which the amount of buffer subsidy has been credited { column 5(b) of the proforma}

(c) Amount utilized for cane price payment out of (a) above { column 5(c) of the proforma}

Place:
Date:

Signature:
Name:
Designation
Branch
Affix official seal

(To be signed by the authorized officer of the Bank.)
ANNEXURE-IV

Utilization Certificate

1. This is to certify that an amount of Rs. ............. was received from the Central Government vide sanction order No........ dated ........ which was received by the sugar factory on ........ and deposited in account no. ........ of .......... (name of the bank and branch)........ and utilized the full received amount for payment of cane price including cane price arrears pertaining to ............ Sugar seasons within three months from the date of receipt of the buffer subsidy.

Or

This is to certify that an amount of Rs. ............. was received from the Central Government vide sanction order No........ dated ........ which was received by the sugar factory on ........ and deposited in account no. ........ of .......... (name of the bank and branch)........ and utilized Rs. ............. for payment of cane price including cane price arrears pertaining to ............ Sugar seasons within three months from the date of receipt of the buffer subsidy and the remaining amount of Rs. .........., which was in excess of the cane price arrears against the sugar mill has been utilized for any other purpose.

Or

This is to certify that an amount of Rs. ............. was received from the Central Government vide sanction order No........ dated ........ which was received by the sugar factory on ........ and deposited in account no. ........ of .......... (name of the bank and branch)........ and utilized it for any other purpose as there were no cane price arrears of ............ sugar seasons on the date of receipt of the buffer subsidy.

2. This is to certify that the sugar factory was sanctioned additional credit of Rs. .................. during the period from ........ to ........ and the same has been utilized
payment of cane price including cane price arrears pertaining to .......... Sugar seasons.

Authorized signatory of the sugar factory
Name
Designation
(Affix official seal)

Signature:
Name
Designation
(Affix official seal)

Date: 
Place: 

(To be signed by the District Cane Officer or a Gazetted Officer of the State Government who is responsible for enforcement and supervision of payment of price of sugarcane by the sugar undertaking)

ANNEXURE-V

CERTIFICATE OF INSURANCE COMPANY
(On the letter head of the insurance company)

It is certified that the buffer stock of ....... quintals of M/s ............. was insured under insurance policy cover no. ........... issued by ........... (name of the insurance company) which was valid for the period from ........... to ...........

Place: 
Date: 
Signature: 
Name: 
Designation 
Branch 
Affix official seal

(to be signed by the Branch Manager of Insurance company)
### नोटिफिकेशन

**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**

**NOTIFICATION**

New Delhi, the 29th November, 2007

G.S.R. 738(E).—In exercise of the powers conferred by clause (d) of sub-rule (11) of rule 1A of the Sugar Development Fund Rules, 1983, the Central Government hereby notify the value of the stock (V) zone-wise for the purpose of calculation of buffer stock subsidy for the buffer stock.

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>11. महाराष्ट्र (दक्षिणी)</td>
<td>1344.81</td>
<td></td>
</tr>
<tr>
<td>12. महाराष्ट्र (उत्तरी)</td>
<td>1313.16</td>
<td></td>
</tr>
<tr>
<td>13. विजयावाड़ (युगल्य)</td>
<td>1337.03</td>
<td></td>
</tr>
<tr>
<td>14. पंजाब</td>
<td>1284.17</td>
<td></td>
</tr>
<tr>
<td>15. उत्तराखण्ड</td>
<td>1373.25</td>
<td></td>
</tr>
<tr>
<td>16. बिहार और पश्चिम बंगाल</td>
<td>1335.64</td>
<td></td>
</tr>
<tr>
<td>17. उत्तर प्रदेश (रत्नागिरी)</td>
<td>1330.77</td>
<td></td>
</tr>
<tr>
<td>18. उत्तर प्रदेश (पूर्वी)</td>
<td>1383.41</td>
<td></td>
</tr>
<tr>
<td>19. उत्तर प्रदेश (पश्चिमी)</td>
<td>1275.92</td>
<td></td>
</tr>
</tbody>
</table>

**नोट:** कबर तहसीलों की कमान के प्रयोग के लिए, 1-4-2007 से नयी घोषणाओं से लिए पाने के वकला जरूरी, केवल विभिन्न अंक के आधार पर घोषित की होगी, 12% प्रति वर्ष होगी।

**नोटिफिकेशन**

**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**

**NOTIFICATION**

New Delhi, the 29th November, 2007

G.S.R. 738(E).—In exercise of the powers conferred by clause (d) of sub-rule (11) of rule 1A of the Sugar Development Fund Rules, 1983, the Central Government hereby notify the value of the stock (V) zone-wise for the purpose of calculation of buffer stock subsidy for the buffer stock.
stock created during sugar season 2006-07, as indicated in
the table below, namely:

<table>
<thead>
<tr>
<th>SL. No</th>
<th>Zone</th>
<th>Value (in Rupees per quintal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Andhra Pradesh</td>
<td>1265.91</td>
</tr>
<tr>
<td>2</td>
<td>Assam, Orissa, West Bengal and Nagaland</td>
<td>1219.33</td>
</tr>
<tr>
<td>3</td>
<td>Bihar (North)</td>
<td>1409.30</td>
</tr>
<tr>
<td>4</td>
<td>Gujarat (South)</td>
<td>1232.75</td>
</tr>
<tr>
<td>5</td>
<td>Gujarat (Saurashtra)</td>
<td>1417.14</td>
</tr>
<tr>
<td>6</td>
<td>Haryana</td>
<td>1245.19</td>
</tr>
<tr>
<td>7</td>
<td>North-West Karnataka</td>
<td>1345.33</td>
</tr>
<tr>
<td>8</td>
<td>Rest of Karnataka</td>
<td>1290.68</td>
</tr>
<tr>
<td>9</td>
<td>Kerala, Goa and Coastal Karnataka</td>
<td>1429.37</td>
</tr>
</tbody>
</table>

Note: For the purpose of calculation of buffer subsidy, the rate of interest is as specified by the Department of the Economic Affairs to be charged from the private companies shall be 12% per annum with effect from 1-4-2007.

[F. No. 6-27/2007-CC]

ABNASH VERMA, Director (SDF)
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(1) These rules may be called the Sugar Development Fund (4th Amendment) Rules, 2007.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, after rule 25, the following chapter shall be inserted, namely:

"Chapter XV

Restructuring of loans of potentially viable sick sugar undertaking

26. (1) Notwithstanding anything contained in the rules 16, 17, 21, 22, 23, 24 and 25, the Central Government, may, after taking into consideration the scheme of rehabilitation circulated by the Board for Industrial and Financial Reconstruction or the scheme recommended by the Committee for rehabilitation, as the case may be, and any other relevant factor, restructure the loan, interest or additional interest on account of default thereof of a potentially viable sick sugar undertaking.

(2) A potentially viable sick sugar undertaking shall be eligible to apply for restructuring of loan, interest or additional interest on account of default thereof.
Provided that the restructuring has been recommended in the Draft Rehabilitation Scheme circulated by the Board for Industrial and Financial Reconstruction or recommended by the Committee for Rehabilitation in the scheme for rehabilitation for sugar undertakings, as the case may be:

Provided further that the sugar undertaking shall, during such period till such restructured loans are fully repaid, be eligible for loans only if it is a part of the rehabilitation scheme under rule 21 for modernization or rehabilitation and cane development schemes only:

Provided also that no undertaking shall be eligible for reliefs and concessions more than once.

(3) Any eligible sugar undertaking referred to in sub-rule (2) shall make an application for restructuring to the Committee in Form IX.

(4) The Member-Secretary of the Committee shall soon after receipt of the recommendations of Board for Industrial and Financial Reconstruction or Committee for Rehabilitation, as the case may be, place the same before the said Committee alongwith his comments, if any, for the Committee’s consideration.

(5) The Committee, before making a final decision on the recommendations satisfies itself that adequate reliefs or concessions from the other lenders, namely, banks, financial institutions, State Governments and other agencies, if any, have been provided in the restructuring package and such reliefs or concessions have been accepted by the concerned agencies to be provided to the sugar undertaking.

(6) The Committee shall, before making a final decision on an application made to it for the purpose of rule 26,-

(a) call for any further information from the sugar undertaking or the recommending agency referred to in sub-rule (1).

(b) appoint a sub-committee or expert to make an investigation and report on any aspect relating to the recommendations of the Board for Industrial and Financial Reconstruction or the Committee for rehabilitation.

(7) The Committee shall submit its recommendations to the Central Government.
(8) The Central Government may, after consideration of the recommendation of the Committee and any other relevant facts, authorize restructuring subject to such terms and conditions as the Central Government may decide and communicate to the sugar undertaking for acceptance of the same by the sugar undertaking in writing.

(9) (a) The restructured loan under this rule shall carry a rate of simple interest equivalent to the prevailing Reserve Bank of India bank rate, from the date of implementation of the rehabilitation package.

(b) In case of any default in repayment of the amount of loan or payment of any instalment thereof or interest thereon on the restructured loan, an additional interest at the rate of four percent per annum on the amount of default shall be payable by the sugar undertaking.

(10) The rehabilitation scheme shall be implemented after a bipartite agreement is entered into between the Central Government and the sugar undertaking:

Provided that, in the case of cooperative or public sugar undertaking, if there are any reliefs and concessions required from the State Government, the scheme shall be implemented after a tripartite agreement is executed amongst the Central Government, the sugar undertaking and the Government of the State in which the sugar undertaking is situated.

(11) (a) The sugar undertaking shall after execution of the agreement, referred to in sub-rule (10), furnish security for the restructured loan to the satisfaction of the Central Government.

(b) The security shall cover the amount of loan and interest for the full period of repayment as provided for in the rehabilitation scheme as accepted by the Central Government and additional interest on account of default as referred to in clause (b) of rule 9 and shall be furnished in any of the following manners, namely:

(i) bank guarantee from a Scheduled Bank; or
(ii) a mortgage on all immovable and movable properties of the sugar undertaking on pari passu first charge basis.

(12) The rehabilitation scheme shall become effective after the agreement referred to in sub-rule (10) is entered into and the security as provided in sub-rule (11) is furnished by the sugar undertaking.
(13) (a) A monitoring agency, nominated by the Central Government, shall carry out periodic reviews of the operation and financial performance, including its cash flow, and progress of the undertaking regarding implementation of the rehabilitation scheme.

(b) The monitoring agency shall, from time to time, with the approval of the Central Government, advise the undertaking to take corrective steps to ensure that projected parameters of the scheme are met.

(14) In case of more than two consecutive defaults in repayment of the loan or instalment thereof, the Central Government shall realize the entire loan, interest alongwith additional interest thereon from the bank guarantee furnished under sub-rule (11) or any claim of the sugar factory against the Central Government or any other security provided for the loan."

FORM No IX
[See rule 26]

Application for reschedulement of loan taken from Sugar Development Fund towards promoters' contribution for financing modernization/rehabilitation scheme

1. Name of applicant
2. Address:
   (i) Registered Office:
   (ii) Location of the factory:
3. Constitution (whether Co-operative Society or Private or Public Limited Company or Joint Sector/Public Sector Company):
4. Date of incorporation/Registration:
5. Management:
   (a) Board of Directors:
   (b) Executive set-up
6. Particulars of the Order or Draft Rehabilitation Scheme of the Board for Industrial and Financial Reconstruction or Committee for Rehabilitation
7. Brief description of the proposed scheme of rehabilitation:
8. (A) Particulars of the factory:

   Previous year Projection for next 3 years

   (1) Licensed crushing capacity (TCD)
   (2) Installed crushing capacity (TCD)
   (3) Area under sugarcane (acres)
   (4) Average yield (tonnes/ acres)
   (5) Total production of sugarcane in the area (lakh tonnes)
   (6) Gross duration of the season (days)
<table>
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<th></th>
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<th>Previous year</th>
<th>Projection for Next 3 years</th>
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<tbody>
<tr>
<td>(1)</td>
<td>Net sales</td>
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<td>(2)</td>
<td>Gross profit/loss</td>
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<td>(3)</td>
<td>Interest on:</td>
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<td>(a)</td>
<td>Term loan</td>
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<td>(b)</td>
<td>Working capital</td>
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<td>(c)</td>
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<td>(4)</td>
<td>Depreciation</td>
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<td>Operation profit (loss)</td>
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<td>(6)</td>
<td>Tax</td>
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<td>(7)</td>
<td>Net profit/loss</td>
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<td>(8)</td>
<td>Cash accruals</td>
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<td>(9)</td>
<td>Applicable statutory cane price fixed by the Government of India (rupees per quintal)</td>
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<td>(10)</td>
<td>Actual cane price paid (rupees per quintal)</td>
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<td>(11)</td>
<td>Cane Price Arrears</td>
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<td>(C)</td>
<td>Financial Position:</td>
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<td>(1)</td>
<td>(a) Gross fixed assets including work in progress</td>
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<td>(b)</td>
<td>Less Depreciation</td>
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<td>(2)</td>
<td>Net fixed assets</td>
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<td>Investments</td>
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<td>(4)</td>
<td>Current Assets</td>
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<td>(5)</td>
<td>Current Liabilities</td>
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<td>(6)</td>
<td>Net Working Capital [(4) minus (5)]</td>
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<td>(7)</td>
<td>Net tangible assets [(2)+(3)+(6)]</td>
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<td>(8)</td>
<td>Long-term liabilities</td>
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<td>(9)</td>
<td>Shareholder's worth [(7) minus (8)]</td>
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<td>(10)</td>
<td>Share capital including share suspense and non-refundable deposits</td>
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<td>(11)</td>
<td>Reserves and surplus</td>
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<td>(12)</td>
<td>Deficit in profit and loss account and Intangible assets</td>
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<td>(13)</td>
<td>Net worth [(10)+(11) minus (12)]</td>
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<td>(14)</td>
<td>Fixed Average Coverage Ratio for project of Factory/Company as a whole</td>
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</table>
(a) at the time of applying for rescheduling
(b) at the time of applying for initial loan

(15) Debt Service Coverage Ratio of project of Factory/Company as a whole
(a) at the time of applying for rescheduling
(b) at the time of applying for initial loan

9. Loans taken from Sugar Development Fund:
Break up of loan: Loan Interest Penal Interest

10.(a) Details of the reliefs or concessions from the Central Government or State Government or Financial Institutions or Scheduled Bank and Other Banks or donations from the employees of the sugar undertaking and other agencies, if any, included in the Draft Rehabilitation Scheme Order of the Board for Industrial and Financial Reconstruction or Recommendation of the Committee for Rehabilitation.

(b) Whether the concerned agencies have agreed to provide these reliefs/concessions to the sugar undertaking? If so copies of the consent letters from the concerned agencies are to be provided along with this application form.

11. Schedule of implementation of the scheme:
12. Please furnish a summary of the projected profitability/cash flow statements for 10 years on implementation of the scheme along with critical assumptions.

Signed by:
Name:
Designation:

Name and address of the sugar unit or factory.

Place:
Date:

[F. No. 11-8/2004-SDF]

Note: The Principal rules were published in the Gazette of India Extraordinary, Part II, Section 3, Sub-section(i) dated 28.9.1983 vide G.S.R. No. 752(E) and were subsequently amended by the following notifications:
(i) GSR 817 (E) dated 20.12.1984;
(ii) GSR 838 (E) dated 14.11.1985;
(iii) GSR 551 (E) dated 06.5.1986;
(iv) GSR 235 (E) dated 24.04.1991;
(v) GSR 441 (E) dated 28.04.1992;
(vi) GSR 435 (E) dated 06.5.1994;
(vii) GSR 27 (E) dated 12.01.1996;
(viii) GSR 656 (E) dated 21.11.1997;
(ix) GSR 91 (E) dated 12.02.2001;
(x) GSR 886 (E) dated 06.12.2001;
(xi) GSR 443 (E) dated 21.06.2002;
(xii) GSR 584 (E) dated 19.08.2002;
(xiii) GSR 67 (E) dated 29.01.2003;
(xiv) GSR 241 (E) dated 25-3-2003;
(xv) GSR 787 (E) dated 6.10.2003;
(xvi) GSR 895 (E) dated 19.11.2003;
(xvii) GSR 953 (E) dated 17.12.2003;
(xviii) GSR 72 (E) dated 23.1.2004;
(xix) GSR 687(E) dated 21.10.2004;
(xx) GSR 739(E) dated 9.11.2004;
(xxi) GSR 149(E) dated 2.3.2005;
(xxii) GSR 451(E) dated 4.7.2005;
(xxiii) GSR 558 (E) dated 15.9.2006;
(xxiv) GSR 118(E) dated 09.3.2007;
(xxv) GSR 697(E) dated 07.11.2007;
(xxvi) GSR 699(E) dated 08.11.2007;
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Provinement of Food and Public Distribution)

NOTIFICATION
New Delhi, the 28th February, 2008

G.S.R. 115(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2008.
(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, in rule 26—
(i) in sub-rule (3), for the word and figures “FORM IX” the word and figures “FORM XI” shall be substituted;
(ii) the “FORM NO. IX” occurring after sub-rule (14) shall be omitted;
(b) after “FORM X”, the following Form shall be inserted,—

"FORM No. XI

[See rule 26]

Application for rescheduling of loan taken from Sugar Development Fund towards promoters’ contribution for financing modernization/rehabilitation scheme.

1. Name of the applicant:
2. Address:
(i) Registered Office:
(ii) Location of the factory:
3. Constitution (whether Co-operative Society or Private or Public Limited Company or Joint Sector/Public Sector Company):

4. Date of incorporation/Registration:
5. Management:
(a) Board of Directors:
(b) Executive set-up:
6. Particulars of the Order or Draft Rehabilitation Scheme of the Board for Industrial and Financial Reconstruction or Committee for Rehabilitation.

7. Brief description of the proposed Scheme of rehabilitation:
8. (A) Particulars of the factory:

Previous year Projection for next 3 years

(1) Licensed crushing capacity (TCD)
(2) Installed crushing capacity (TCD)
(3) Area under sugarcane (acres)
(4) Average yield (tonnes/acre)
(5) Total production of sugarcane in the area (lakh tonnes)
(6) Gross duration of the season (days)
(7) Net duration of the season (days)
(8) Cane crushed (lakh tonnes)
(9) Average sugar recovery %
(10) Total sugar produced (quintals)

Note: In case the performance has not been up to the accepted norms and if there has been wide fluctuation in the performance please state the reasons in brief.

(B) Working results: Previous year Projection for Next 3 years

(1) Net sales
(2) Gross profit/loss
(3) Interest on:
(a) Term loan
(b) Working capital
(c) Total
(4) Depreciation
(5) Operation profit/loss
(6) Tax
(7) Net profit/loss
(8) Cash accruals
(9) Applicable statutory cane price fixed by the Government of India (rupees per quintal)
(10) Actual cane price paid (rupees per quintal)
(11) Cane Price Arrears.

(C) Financial Position:

(1) (a) Gross fixed assets including work-in-progress
(b) Less Depreciation
(2) Net fixed assets
(3) Investments

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(4) Current Assets
(5) Current Liabilities
(6) Net Working Capital [(4) minus (5)]
(7) Net tangible assets [(2)+(3)(6)]
(8) Long-term liabilities
(9) Shareholder's worth [(7) minus (3)]
(10) Share capital including share suspense and non-refundable deposits
(11) Reserves and surplus
(12) Intangible assets
(13) Net Worth [(10)+(11) minus (12)]
(14) Fixed Average Coverage Ratio for project of Factory/Company as a whole :
(a) at the time of applying for reschedulement
(b) at the time of applying for initial loan.
(15) Debt Service Coverage Ratio of project of Factory/Company as a whole :
(a) at the time of applying for reschedulement
(b) at the time of applying for initial loan.

9. Loan taken from Sugar Development Fund :

Break up on loan : Loan Interest Penal Interest

10. (a) Details of the reliefs or concessions from the Central Government or State Government or Financial Institutions or Scheduled Bank and Other Banks or donations from the employees of the sugar undertaking and other agencies, if any, included in the Draft Rehabilitation Scheme Order of the Board for Industrial and Financial Reconstruction or Recommendation of the Committee of Rehabilitation.

(b) Whether the concerned agencies have agreed to provide these reliefs/concessions to the sugar undertakings? If so copies of the consent letters from the concerned agencies are to be provided along with this application form.

11. Schedule of implementation of the scheme :

12. Please furnish a summary of the projected profitability/cash flow statements for 10 years on implementation of the scheme along with critical assumptions.

Signed by :
Name : 
Designation : 

Address and name of the sugar unit or factory".

Place : 
Date : 

[ F. No. 11-8/2004-SDF ]
ABINASH VERMA, Director

Note :—The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (1), vide G.S.R. 752(E), dated the 28th September, 1983 and were subsequently amended by :

(f) G.S.R.817(E), dated the 20th December, 1984
(ii) G.S.R. 838(E), dated the 14th November, 1985
(iii) G.S.R. 551(E), dated the 6th May, 1986
(iv) G.S.R. 235(E), dated the 24th April, 1991
(v) G.S.R. 441(E), dated the 28th April, 1992
(vi) G.S.R. 435(E), dated the 6th May, 1994
(vii) G.S.R. 27(E), dated the 12th January, 1996
(viii) G.S.R. 656(E), dated the 21st November, 1997
(ix) G.S.R. 91(E), dated the 12th February, 2001
(x) G.S.R. 88(E), dated the 6th December, 2001
(xi) G.S.R. 443(E), dated the 21st June, 2002
(xii) G.S.R. 584(E), dated the 19th August, 2002
(xiii) G.S.R. 67(E), dated the 29th January, 2003
(xiv) G.S.R. 241(E), dated the 23th March, 2003
(xv) G.S.R. 787(E), dated the 6th October, 2003
(xvi) G.S.R. 895(E), dated the 19th November, 2003
(xvii) G.S.R. 953(E), dated the 17th December, 2003
(xviii) G.S.R. 72(E), dated the 23rd January, 2004
(xix) G.S.R. 687(E), dated the 21st October, 2004
(xx) G.S.R. 739(E), dated the 9th November, 2004
(xxi) G.S.R. 149(E), dated the 2nd March, 2005
(xxii) G.S.R. 451(E) dated the 4th July, 2005
(xxiii) G.S.R. 558(E), dated the 15th September, 2006
(xxiv) G.S.R. 118(E), dated the 9th March, 2007
(xxv) G.S.R. 697(E), dated the 7th November, 2007
(xxvi) G.S.R. 699(E), dated the 8th November, 2007
(xxvii) G.S.R. 738(E), dated the 29th November, 2007
(xxviii) G.S.R. 749(E), dated the 5th December, 2007.
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Deptartment of Food and Public Distribution)

NOTIFICATION

New Delhi, the 10th April, 2008

G.S.R. 279(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. These rules may be called the Sugar Development Fund (Second Amendment) Rules, 2008.

2. They shall come into force on the date of their publication in Official Gazette.

2. In the Sugar Development Fund Rules, 1983,—

(i) in rule 2,—

(a) after clause (f), the following clause shall be inserted, namely:—

"(ff) "Co-operative Bank" shall have the same meaning as assigned to it in clause (cc) of Section 56 of the Banking Regulation Act, 1949 (10 of 1949);"

(b) after clause (i), the following clause shall be inserted, namely:—

"(ia) "National Bank" means the National Bank for Agriculture and Rural Development established under Section 3 of the National Bank for Agriculture and Rural Development Act, 1981 (61 of 1981);"

(c) after clause (j), the following clause shall be inserted, namely:—

"(jj) "Regional Rural Bank" shall have the same meaning as assigned to it in clause (f) of Section 2 of the Regional Rural Banks Act, 1976 (21 of 1976);"

(ii) after rule 26, the following Chapter shall be inserted, namely:—

"Chapter XVI

Provision of interest subvention to sugar factories towards interest on loans

27. (1) The Central Government may provide financial assistance to sugar factories towards payment of interest, in part or in full, on loans given to the sugar factories by scheduled banks, financial institutions, co-operative banks and regional rural banks, in terms of any scheme approved by the Government, from time to time:

Provided that such financial assistance shall be for such loans which have been utilized for clearance of cane price arrears and cane price dues of the sugarcane farmers.

(2) The Central Government shall provide financial assistance to the lending bank or financial institution through nodal agencies appointed by it, from amongst the scheduled banks and the National Bank which shall be passed on by the concerned bank or the financial institution to the appropriate sugar factories as a credit.

(3) The financial assistance to be given to the nodal agencies from the Sugar Development Fund, shall be specified in the scheme referred to in sub-rule (1) and shall be subject to the following conditions, namely:—

(a) the nodal agencies shall certify that the loans have been utilized by the sugar factories for clearance of cane price arrears or cane price dues; and

(b) the nodal agencies shall certify that the quantum of bank loans to the sugar factories have been disbursed in accordance with the scheme:

Provided that in the event of the loan not being used by the factory for payment of sugarcane arrears or dues, the entire interest subvention provided by the Central Government shall be recovered with twelve per cent interest per annum:

Provided further that in case the loanee sugar factory is not able to make repayment of the loan as per the repayment schedule, it shall not be entitled for the interest subvention till it regularizes the account and once the account is regularized, the said loanee shall be entitled to get the subvention from the date of regularization till the end of four year period.

(4) For the purposes of this rule, the scheme announced by the Central Government vide its notification number 1(5)/2007-SPII, dated the 7th December, 2007 and any notification the Central Government may issue from time to time shall apply."

[F. No. 1-3/2008-SDF]
NILANJAN SANYAL, Jt. Secy.
Note: The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i), vide number G.S.R. 752(E), dated the 28th September, 1983 and were subsequently amended by—

(i) G.S.R. 817(E), dated the 20th December, 1984;
(ii) G.S.R. 838(E), dated the 14th November, 1985;
(iii) G.S.R. 551(E), dated the 6th May, 1986;
(iv) G.S.R. 235(E), dated the 24th April, 1991;
(v) G.S.R. 441(E), dated the 28th April, 1992;
(vi) G.S.R. 435(E), dated the 6th May, 1994;
(vii) G.S.R. 27(E), dated the 12th January, 1996;
(viii) G.S.R. 656(E), dated the 21st November, 1997;
(ix) G.S.R. 91(E), dated the 12th December, 2001;
(x) G.S.R. 886(E), dated the 6th December, 2001;
(xi) G.S.R. 443(E), dated the 21st June, 2002;
(xii) G.S.R. 584(E), dated the 19th August, 2002;
(xiii) G.S.R. 67(E), dated the 29th January, 2003;
(xiv) G.S.R. 241(E), dated the 25th March, 2003;
(xv) G.S.R. 787(E), dated the 6th October, 2003;
(xvi) G.S.R. 855(E), dated the 19th November, 2003;
(xvii) G.S.R. 953(E), dated the 17th December, 2004;
(xviii) G.S.R. 72(E), dated the 23rd January, 2004;
(xix) G.S.R. 687(E), dated the 21st October, 2004;
(xx) G.S.R. 739(E), dated the 9th November, 2004;
(xxi) G.S.R. 149(E), dated the 2nd March, 2005;
(xxii) G.S.R. 451(E), dated the 4th July, 2005;
(xxiii) G.S.R. 558(E), dated the 15th September, 2006;
(xxiv) G.S.R. 118(E), dated the 9th March, 2007;
(xxv) G.S.R. 697(E), dated the 7th November, 2007;
(xxvi) G.S.R. 699(E), dated the 8th November, 2007;
(xxvii) G.S.R. 738(E), dated the 29th November, 2007;
(xxviii) G.S.R. 749(E), dated the 5th December, 2007;
(xxix) G.S.R. 115(E), dated the 28th February, 2008.
Note :—The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 752(E), dated the 24th September, 1983 and were subsequently amended by—

(i) G.S.R. 817(E), dated the 20th December, 1984;
(ii) G.S.R. 838(E), dated the 14th November, 1985;
(iii) G.S.R. 551(E), dated the 6th May, 1986;
(iv) G.S.R. 235(E), dated the 24th April, 1991;
(v) G.S.R. 441(E), dated the 28th April, 1992;
(vi) G.S.R. 435(E), dated the 6th May, 1994;
(vii) G.S.R. 27(E), dated the 12th January, 1996;
(viii) G.S.R. 656(E), dated the 21st November, 1997;
(ix) G.S.R. 91(E), dated the 12th February, 2001;
(x) G.S.R. 886(E), dated the 6th December, 2001;
(xi) G.S.R. 443(E), dated the 21st June, 2002;
(xii) G.S.R. 584(E), dated the 19th August, 2002;
(xiii) G.S.R. 67(E), dated the 29th January, 2003;
(xiv) G.S.R. 241(E), dated the 25th March, 2003;
(xv) G.S.R. 787(E), dated the 6th October, 2003;
(xvi) G.S.R. 895(E), dated the 19th November, 2003;
(xvii) G.S.R. 953(E), dated the 17th December, 2004;
(xviii) G.S.R. 72(E), dated the 23rd January, 2004;
(xix) G.S.R. 687(E), dated the 21st October, 2004;
(xx) G.S.R. 739(E), dated the 9th November, 2004;
(xxi) G.S.R. 149(E), dated the 2nd March, 2005;
(xxii) G.S.R. 451(E), dated the 4th July, 2005;
(xxiii) G.S.R. 558(E), dated the 15th September, 2006;
(xxiv) G.S.R. 118(E), dated the 9th March, 2007;
(xxv) G.S.R. 697(E), dated the 7th November, 2007;
(xxvi) G.S.R. 699(E), dated the 8th November, 2007;
(xxvii) G.S.R. 738(E), dated the 29th November, 2007;
(xxviii) G.S.R. 749(E), dated the 5th December, 2007;
(xxix) G.S.R. 115(E), dated the 28th February, 2008;
(xxx) G.S.R. 279(E), dated the 16th April, 2008.

PART II—SEC. 126

Ministry of Consumer Affairs, Food and Public Distribution

(Doartment of Food and Public Distribution)

NOTIFICATION

New Delhi, the 19th May, 2008

G.S.R. 388(E).—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely :

1. (1) These rules may be called the Sugar Development Fund (Third Amendment) Rules, 2008.

(2) They shall come into force on the date of their publication in Official Gazette.

2. In the Sugar Development Fund Rules, 1983, in rule 23,—

(a) sub-rule (13) shall be omitted;

(b) after sub-rule (14), the following sub-rule shall be inserted, namely :—

“(15) (a) The disbursement of the loan authorized by the Central Government under sub-rule (1) shall be preceded by a tripartite agreement between the Central Government, the sugar factory and the Financial Institution or the Scheduled Bank, as the case may be.

(b) The agreement referred to in clause (a), shall contain the terms and conditions with regard to the utilization of the loan including monitoring the implementation of the project by an agency designated by the Central Government on behalf, the period of repayment including the number and amount of instalment, payment of interest, the manner of such repayment or payment, security to be provided for the loan and any other matter incidental to the loan.”

[F. No. 1-10/2006-SDF]

NILANJAN SANYAL, Jt. Secy.
(xxix) In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2009.

(2) They shall come into force on the date of their publication in Official Gazette.

2. In the Sugar Development Fund Rules, 1983,

(i) after rule 16, the following rule shall be inserted, namely,

"16-A (1) The Central Government, having regard to the availability of sugar and such other factors as it may consider necessary, and after consultation with the Committee, may sanction and notify schemes, to give loans for modernisation of sugar factories to purchase and install machinery and equipment required for simultaneous processing of raw sugar with crushing of cane for the manufacture of sugar.

(2) under sub-rule (1) the schemes may provide for the following, namely:

(i) the amount of loan that may be disbursed to various categories of sugar factories;

(ii) the manner and form in which applications may be made under this rule;

(iii) the manner in which such loans may be disbursed including the condition regarding signing of contract or agreement and monitoring of utilisation of the loan;

(iv) the period during which such scheme for grant of loans will be operative;

(v) any other matter which is required to be made or notified in the scheme.

3. Only such sugar factories as have fully repaid all sums, which have become due in respect of sugar development fund and levy sugar price equalization fund will be eligible to apply for loan under the schemes notified under sub-rule (1).

(4) The repayment of loans sanctioned under any scheme under sub-rule (1) together with interest shall be made in four equal annual instalments and shall commence on expiry of one year from the date of disbursement of the loan.

3. For rule 17-A, the following shall be substituted, namely,—

"17 - A (1) The Central Government, having regard to the availability of sugarcane for crushing by the sugar factories, situation of sugar production in the country and such other factors as it may consider necessary, and after consultation with the Committee, may sanction and notify schemes to give loans to sugar factories for the development of sugarcane in their specified areas for the following purposes, namely,

(a) purchase of seeds,

(b) purchase of fertilizers,

(c) purchase of pesticides.

(2) under sub-rule (1) the schemes may provide for the following, namely,

(i) the amount of loan that may be disbursed for various categories of sugar factories;

(ii) the manner and form in which applications may be made under this rule;

(iii) the manner in which such loans may be disbursed including the conditions regarding signing of contract and monitoring of utilisation of the loan;

(iv) the period during which such scheme for grant of loans will be operative;

(v) any other matter which is required to be made or notified in the scheme.

(3) Only such sugar factories as have fully repaid all sums, which have become due in respect of sugar development fund and levy sugar price equalization fund will be eligible to apply for loan under sub-rule (1).

(4) The repayment of loans sanctioned under any scheme notified under sub-rule (1), together with interest shall be made in four equal annual instalments and shall commence on expiry of one year from the date of disbursement of the loan.

4. In rule 25,

(a) in sub-rule (1), for the words and figures "Sugar Development Fund Rules 16, 17, 21, 22 and 23", the words and figures "Sugar Development Fund Rules 16, 16-A, 17, 17-A, 21, 22 and 23" shall be substituted.

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21, 22 and 23” shall be substituted;

(b) in the proviso to sub-rule (5), after the words “provided that” the words and figures “in case of short term loans under rules 16-A and 17-A, any sugar factory and” shall be substituted.

5. "Form III-A" shall be omitted.

[F. N. 1-5/2009-SDF]

N. SANYAL, Ht. Secy.

Footnote :The Principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide No. G.S.R 732(E), dated 28-9-1983 and were subsequently amended by the following notifications:

(i) G.S.R 817(E), dated the 20th December, 1984;
(ii) G.S.R 838(E), dated the 14th November, 1983;
(iii) G.S.R 551(E), dated the 6th May, 1986;
(iv) G.S.R 235(E), dated the 24th April, 1991;
(v) G.S.R 441(E), dated the 28th April, 1992;
(vi) G.S.R 435(E), dated the 6th May, 1994;
(vii) G.S.R 27(E), dated the 12th January, 1996;
(viii) G.S.R 656(E), dated the 21st November, 1997;
(ix) G.S.R 91(E), dated the 12th February, 2001;
(x) G.S.R 886(E), dated the 6th December, 2001;
(xi) G.S.R 441(E), dated the 21st June, 2002;
(xii) G.S.R 584(E), dated the 19th August, 2002;
(xiii) G.S.R 67(E), dated the 29th January, 2003;
(xiv) G.S.R 241(E), dated the 25th March, 2003;
(xv) G.S.R 787(E), dated the 6th October, 2003;
(xvi) G.S.R 895(E), dated the 19th November, 2003;
(xvii) G.S.R 953(E), dated the 17th December, 2004;
(xviii) G.S.R 72(E), dated the 23rd January, 2004;
(xix) G.S.R 687(E), dated the 21st October, 2004;
(xx) G.S.R 739(E), dated the 9th November, 2004;
(xxi) G.S.R 149(E), dated the 2nd March, 2005;
(xxii) G.S.R 451(E), dated the 4th July, 2005;
(xxiii) G.S.R 558(E), dated the 15th September, 2006;
(xxiv) G.S.R 118(E), dated the 9th March, 2007;
(xxv) G.S.R 697(E), dated the 7th November, 2007;
(xxvi) G.S.R 699(E), dated the 8th November, 2007;
(xxvii) G.S.R 738(E), dated the 29th November, 2007;
(xxviii) G.S.R 749(E), dated the 5th December, 2007;
(xxix) G.S.R. 115(E), dated the 28th February, 2008;
(xxx) G.S.R. 279(E), dated the 10th April, 2008;
(xxxi) G.S.R. 388(E), dated the 19th May, 2008.
New Delhi, the 30th July, 2012

G.S.R. 589(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2012.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Throughout the Sugar Development Fund Rules, 1983 (hereinafter referred to as the said rules), for the words “Department of Food”, the words “Department of Food and Public Distribution” shall be substituted.

3. In the said rules, in rule 2—

(a) for clause (n), the following clause shall be substituted, namely:

“(n) sugar undertaking” means an undertaking which is engaged in the manufacture or production of sugar by means of vacuum pan and with the aid of mechanical power and includes a company incorporated under the Companies Act, 1956 or a Co-operative Society registered under the Co-operative Societies Act of any State, of which the sugar factory is a part;

(b) clause (oo) shall be omitted.

4. In the said rules, in rule 3—

(a) in sub-rule (1), for the words, figures, letters and brackets “Major Head ‘309’-C-Food-C9- other expenditure-C9(3) Payments against collection of Cess on Sugar (Non-Plan)”, the following words, figures and brackets shall be substituted, namely:

“Major Head “2408-Food, Storage and Warehouses”, Sub-Major Head “01-Food”, Minor-Head “797-Transfer to or from Reserve Funds and Deposit Accounts and Sub-Head “01- Transfer to or from Sugar Development Fund” (Object Head “63-Inter-Account Transfer”) or any other Major Head or Head of Account that may be allocated for the purpose”;

(b) in sub-rule (2), after the words “authority concerned”, the following words shall be inserted, namely:
either by electronic transfer to the Government account operated for this purpose in such manner as may be specified by the Accounts Officer or";

(c) after sub-rule (2), the following sub-rule shall be inserted, namely:

“(3) The financial institution, person or authority concerned shall, within three working days of receipt of repayment of loan or payment of interest thereof or any other receipt from the loanee sugar factory or undertaking, credit the said amount to the Fund, failing which interest provision applicable to sugar factories in default of such amount as specified in sub-rule (3) of rule 25 shall apply to financial institution, person, or authority.”

5. In the said rules, in rule 5,-

(a) in sub-rule (1), for the words and figures “Major Head “829” Development and Welfare Funds - Development Funds for Agricultural Purposes - Sugar Development Fund”, the following words and figures shall be substituted, namely:-

“Major Head “8229 - Development and Welfare Fund”. Minor Head “105- Sugar Development Fund”, or any other Major Head or Head of account that may be allocated for the purpose”;

(b) for sub-rule (2), the following sub-rule shall be substituted, namely:-

“(2) All expenditure incurred for the purposes of the Act and these rules shall be met initially from the Consolidated Fund of India under the following Major Heads or Heads of Accounts or any other Major Head or Head of Account that may be allocated for the purpose, and finally debited to the Fund under the Head of Account specified in sub-rule (1), namely:-

A. REVENUE SECTION

Major Head – 2408 – Food, Storage and Warehousing
Sub-Major Head – 01 – Food
Minor Head – 001 – Direction and Administration

(i) Sub-Head – 02 - Other offices
   Detailed Head – 02 – Administration of Sugar Development Fund
   (02.02.01 – Salaries and 02.02.50 – Other charges.
   Minor Head – 800 – Other Expenditure;

(ii) Sub Head – 01 – Subsidy for maintenance of buffer stock of sugar
    (01.00.33 – Subsidies);

(iii) Sub Head – 02 – Grants in aid for Development of Sugar Industry
    (02.00.31 – Grants-in-aid General);

(iv) Sub Head – 06 – Reimbursement of Internal Transport and Freight Charges to sugar factories on export shipments and payment of other permissible claims (06.00.33 – Subsidies);

(v) Sub Head – 08 - Scheme for Extending Finance Assistance to Sugar Undertakings 2007 (08.00.33 – Subsidies).
B. CAPITAL SECTION

Major Head – 6860 - Loans for Consumer Industries
Sub-Major Head – 04 - Sugar
Minor Head 190 - Loan to Public Sector and other undertakings.

(i) Sub Head - 03-Rehabilitation/Modernization of Sugar mills
(03.00.55-Loans and Advances);
(ii) Sub Head- 04-Sugar Mills for Cane Development
(04.00.55-Loans and Advances);
(iii) Sub Head- 06-Sugar Factories for bagasse based cogeneration power project
(06.00.55-Loans and Advances);
(iv) Sub Head 07-Sugar factories for production for Anhydrous Alcohol or Ethanol from
Alcohol
(07.00.55-Loans and Advances).

6. In the said rules, for rule 6, the following rule shall be substituted, namely:-

"6. Standing Committee. - As soon as may be after the coming into force of these rules, the
Central Government may constitute a Standing Committee consisting of the following
members, namely:-
(1) Secretary, Department of Food and Public Distribution – Chairman;
(2) Finance Secretary, Ministry of Finance or his representative not below the rank of
Director - Member;
(3) Secretary, Department of Agriculture and Cooperation or his representative not below
the rank of Director – Member;
(4) Secretary in the Ministry of Finance (Department of Expenditure) or his representative
not below the rank of Director – Member;
(5) Secretary, Planning Commission or his representative not below the rank of Director -
Member;
(6) Joint Secretary, Ministry of Finance (Department of Financial Services) or his
representative not below the rank of Director – Member;
(7) Joint Secretary, Department of Food and Public Distribution – Member;
(8) Chief Director, Directorate of Sugar Department of Food and Public Distribution –
Member;
(9) Director or Deputy Secretary in the Sugar wing of the Department of Food and Public
Distribution - Member Secretary:

Provided that the Central Government may nominate not more than two officers of
that Government or of an educational or research institute, autonomous body or an
undertaking of that Government having special knowledge of any aspect of sugar industry as
additional members of the Committee as experts:

Provided further that the Central Government may invite representatives from the
industry or knowledge groups or financial institutions, to the meetings of the Standing
Committee.

7. In the said rules, in rule 9, for the words "Three members in the case of the
Committee and two members", the words, "Five members in the case of the Committee and
three members" shall be substituted.
8. In the said rules, in rule 13,-

(a) in the first proviso, for the words “three members in the case of the Committee and two members”, the words “five members in the case of the Committee and three members” shall be substituted;

(b) in the second proviso, for the words, “three members of the Committee or two members”, the words “five members of the Committee or three members” shall be substituted.

9. In the said rules, in rule 16,-

(A) in sub-rule (1),-

(a) for the words “its plant and machinery”, the words “plant and machinery of its sugar factory or any of its sugar factories” shall be substituted;

(b) in clause (b),

(i) the words “or sponsored by the Technology Information, Forecasting and Assessment Council in respect of the Scheme Mission Mode Project on Sugar Production Technologies of the Department of Science and Technology shall normally be eligible for a loan under this rule” shall be omitted;

(ii) for the first proviso, the following proviso shall be substituted, namely:-

“Provided that a sugar undertaking that has availed of a loan in respect of a sugar factory under this rule shall not be eligible for any further loan under this rule during the period in which the previous loan under this rule or a loan under sub rule (1) of rule 21 in respect of that factory, alongwith interest thereon, has not been fully repaid;”;

(iii) in the second proviso, for the words “class or classes of sugar undertakings”, the words “class or classes of sugar factories or sugar undertakings” shall be substituted;

(B) after sub-rule (1), the following sub-rule shall be inserted, namely:-

“(1A) A sugar undertaking shall not be eligible to apply for a loan under this rule for one or more of the following reasons or purposes, namely;—

(a) a second hand project, equipment or machinery:

Provided that a sugar undertaking shall be eligible to apply for a loan for a project where second hand equipment or machinery has been used or is proposed to be used, subject to the following conditions, namely:-

(i) use of such second hand machinery or equipment shall not change the overall character of the project, which shall essentially consist of new plant, machinery and equipment;

(ii) it shall technically be certified that the use of the second hand machinery or equipment shall not affect the overall efficiency and life of the project;

(iii) the useful life of the second hand machinery or equipment so used shall not be less than the term of repayment of sugar development fund loan;
(iv) subject to fulfillment of conditions specified in clauses (i) to (iii), the estimated or actual cost of machinery or equipment which are not new shall be deducted from the estimated or actual cost of the project before arriving at the eligible project cost for the purpose of sugar development fund loan;

(b) refinancing;

Explanation - For the purpose of this clause, the term 'refinancing' includes availing of loan for repayment of loan taken from any financial institution or scheduled bank before applying to a financial institution or bank for appraisal in which Sugar Development Fund component is proposed, but shall not include a 'bridge loan' taken in lieu of Sugar Development Fund component after submitting an application to the Standing Committee on Sugar Development Fund.

(c) financing of cost over run;

(d) project commissioned prior to the date of application under these rules;

(e) if such sugar undertaking is a defaulter in respect of repayment of loan availed under Sugar Development Fund or in payment of any dues under the Levy Sugar Price Equalization Fund in respect of any of its sugar factories;”;

(C) in sub-rule (2), for the words “eleven”, the word “two” shall be substituted;

(D) for sub-rule (6), the following sub-rule shall be substituted, namely:-

“(6) The Central Government may, after taking into consideration recommendations made by the Committee or any other relevant factor, authorise payment to a sugar undertaking of such amount of loan, not exceeding the amount required by the financial institution or a scheduled bank, as the case may be, to be contributed by such sugar undertaking as promoter’s contribution, as may be determined by the Central Government:

Provided that the loan from the Fund shall be granted if the sugar undertaking contributes a minimum of ten percent of the loan applied for from its own resources as promoter’s contribution:

Provided further that the Central Government shall authorise payment of the said loan under this sub-rule only to such sugar undertaking who have fully repaid all the sums which have become due in respect of Sugar Development Fund and Levy Sugar Price Equalisation Fund;”;

(E) in sub-rule (9),

(a) in clause (i), for the words “Financial Institution or a Scheduled Bank, as the case may be,” the words “Nodal Agency so appointed by the Central Government on its behalf.” shall be substituted;
(b) in clause (iv).

(i) for the words "a period of eight years reckoned from the date of disbursement of fund loan, whichever is earlier, and loan from the fund along with interest due thereon shall be recoverable in annual instalments not exceeding five", the words "a period of five years reckoned from the date of disbursement of fund loan, whichever is earlier, and loan from the fund along with interest due thereon shall be recoverable in half yearly instalments not exceeding ten" shall be substituted;

(ii) the proviso shall be omitted;

(F) sub-rule (11) shall be omitted.

10. In the said rules, in rule 16A,-

(a) in sub-rule (3), for the words "sugar factories", the words "sugar undertakings" shall be substituted;
(b) in sub-rule (4), for the words "four equal annual installments", the words "eight equal half yearly installments" shall be substituted.

11. In the said rules, in rule 17,-

(a) in sub-rule (1),-

(i) for the words "in its area", the words "in the area in which its sugar factory or any of its sugar factories is situated," shall be substituted;

(ii) after clause (e), the following clause shall be inserted, namely:-

"(ea) purchase of mechanical planters and harvesters;"

(iii) for the provisos, the following provisos shall be substituted, namely:-

"Provided that loans from the Fund shall be granted only if the Central Government is satisfied on the basis of the information given in Form III that no financial assistance is available for the purpose from any other agency, and if available, the amount thereof is, in the opinion of the Central Government, inadequate and needs to be supplemented by loans from the Fund.

Provided further that the loan from the Fund shall be granted only if the Sugar Undertaking or the State Government contributes a minimum of ten per cent of the loan applied for from its own resources as margin money:

Provided also that the Central Government may accord sanction for a loan under this rule to a sugar undertaking in respect of a sugar factory only on one occasion and no further loan under this rule shall be sanctioned during the period in which the previous loan under this rule or a loan under sub-rule (2) of rule 21 in respect of that sugar factory, along with interest thereon, has not been fully repaid:

Provided also that a sugar undertaking shall not be eligible to apply for the loan under this rule if it is a defaulter in respect of repayment of Sugar Development Fund loan or payment of Levy Sugar Price Equalization Fund in respect of any of its sugar factories:
Provided also that where a sugar undertaking has not availed the loan sanctioned under this rule in respect of any of its sugar factories, it shall not be eligible for grant of loan under this rule for a period of five years from the date of such sanction.

(b) in sub-rule (2), the following proviso shall be inserted, namely:

"Provided that the Central Government may appoint any agency for monitoring of utilisation, progress of the implementation of the scheme and achievement of physical and financial targets of the scheme for which the loan is advanced and such agency shall give its report directly to the Central Government."

(c) in sub-rule (3), in clause (a), for the words "annual installments not exceeding four in number and the interest on the loan shall be paid annually", the words "half yearly installments not exceeding eight in number and the interest on the loan shall be paid half yearly" shall be substituted;

(d) in sub-rule (4), for the words "twelve copies" and "eleven copies", the words "three copies" and "two copies" shall respectively be substituted.

12. In the said rules, in rule 17A,-

(a) for the words "sugar factories", wherever they occur, the words "sugar undertaking" shall be substituted;

(b) in sub-rule (1), for the words "in their specified areas", the words "in the area in which its sugar factory or any of its sugar factories is situated," shall be substituted;

(c) in sub-rule (3), after the words "levy sugar price equalization fund", the words "in respect of all the sugar factories or units thereof under it," shall be inserted;

(d) in sub-rule (4), for the words "four equal annual instalments", the words "eight equal half yearly instalments" shall be substituted.

13. In the said rules, in rule 19,-

(a) for the words "sugar undertaking", wherever they occur, the words "sugar factory" shall be substituted;

(b) in sub-rule (14), for the words "to every sugar factory, which has", the words "to every sugar undertaking in respect of a sugar factory or such sugar factories which have", shall be substituted;

(c) in sub-rule (14A),-

(i) for the words, brackets and figures "in sub-rule (15) to a sugar factory", the words, brackets and figures "in sub-rule (15) to a sugar undertaking in respect of a sugar factory" shall be substituted;

(ii) in the first, second and third proviso, for the words "sugar factory", the words "sugar undertaking in respect of a sugar factory" shall be substituted.
14. In the said rules, in rule 20,-

(a) in sub-rule (3),

(i) in Explanation I, for the words “and that sugar factory shall be eligible for reimbursement of expenditure incurred on internal transport and freight charges on such export shipments of sugar, provided that the agreement entered into by the sugar factory”, the words “and that sugar undertaking in respect of a sugar factory shall be eligible for reimbursement of expenditure incurred on internal transport and freight charges on such export shipments of sugar, provided that the agreement entered into by the sugar undertaking in respect of a sugar factory” shall be substituted;

(ii) for Explanation II, the following Explanation shall be substituted, namely:-

"Explanation II.- Where a sugar undertaking in respect of a sugar factory has exported sugar through an exporter, the customs attested Export Promotion copy of the Shipping Bill shall indicate the name of the exporter and of the sugar undertaking in respect of a sugar factory".

(b) in sub-rule (4), in the proviso, after the words “if a sugar”, the words “undertaking in respect of a sugar” shall be inserted;

(c) in sub-rule (5),

(i) in clause (b), after the words “by the sugar”, the words “undertaking in respect of a sugar” shall be inserted;

(ii) in clause (i), after the words “where the sugar”, the words “undertaking in respect of a sugar” shall be inserted;

(d) in sub-rule (6), after the words “A sugar”, the words “undertaking in respect of a sugar” shall be inserted;

(e) in sub-rule (7),

(ii) for clause (iv), the following clause shall be substituted, namely:-

“(iv) where a sugar undertaking in respect of a sugar factory has preferred to transport export consignments of sugar by road instead of railway, the claim for reimbursement of expenditure on internal transport and freight charges shall be restricted to the total of transportation charges and railway freight charges as specified in clauses (i) to (iii) or the actual transportation charges by road incurred by the sugar undertaking in respect of a sugar factory, whichever is less.”;

(ii) in the Explanation, after the words “and the sugar”, the words “undertaking in respect of a sugar” shall be inserted;

(f) in sub-rule (8), after the words “A sugar”, the words “undertaking in respect of a sugar” shall be inserted;

(g) in sub-rule (9), after the words “A sugar”, the words “undertaking in respect of a sugar” shall be inserted;
(h) in sub-rule (10), after the words "A sugar", the words "undertaking in respect of a sugar" shall be inserted;

(i) for sub-rule (11), the following sub-rule shall be substituted, namely:

"(11) The reimbursement claim of the sugar undertaking in respect of a sugar factory shall be settled within forty-five days of the receipt of the complete documents from the sugar undertaking in respect of that sugar factory unless the Central Government has communicated in writing to the sugar undertaking in respect of that sugar factory to furnish any requisite document within the said period."

(j) in sub-rule (12), for the words "sugar factory", wherever they occur, the words "sugar undertaking" shall be substituted.

15. In the said rules, in rule 20A, the following explanation shall be inserted, namely:

"Explanation: For the purposes of this rule, the provision regarding clearance of cane price arrears shall apply only to the amounts payable and paid to a sugar factory during the sugar seasons 2006-07 and 2007-08."

16. In the said rules, in rule 21,-

(a) in sub-rule (1), in the second proviso, the words "or sponsored by the Technology, Information, Forecasting and Assessment Council in respect of Scheme Mission Mode Project on Sugar Production Technologies of the Department of Science and Technology for modernization and rehabilitation of its plant and machinery" shall be omitted;

(b) in sub-rule (4), for the words "eleven", the word "two" shall be substituted;

(c) in sub-rule (5), for the words "twelve", the word "two" shall be substituted;

(d) in sub-rule (11), clause (v) shall be omitted.

17. In the said rules, in rule 22,-

(A) for sub-rule (1), the following sub-rule shall be substituted:

"(1) Any sugar factory of an undertaking having an installed capacity of 2500 Tonnes Crushed per Day or higher to which financial assistance has been approved by a financial institution or a scheduled bank for it to implement a project for production of anhydrous alcohol or ethanol from alcohol or molasses by installing the required plant and machinery shall be eligible to apply for loan under this rule:
Provided that at least ten percent of the project cost is being met by the sugar factory of an undertaking from its own internal generation of fund as part of the promoters contribution required by the financial institution or the scheduled bank."

(B) for sub-rule (2), the following sub-rule shall be substituted, namely:

"(2) A sugar undertaking that has availed of a loan in respect of a sugar factory under this
rule shall not be eligible for another loan for the same sugar factory during the period in which the previous loan under this rule along with interest thereon has not been fully repaid.

(C) for sub-rule (3), the following sub-rule shall be substituted, namely:

"(3) A sugar undertaking which is in default of payment that has become due in respect of the Sugar Development Fund and the Levy Sugar Price Equalization Fund relating to any of the sugar factories or units under it shall not be eligible to apply for a loan under this rule.

(D) for sub-rule (4), the following sub-rule shall be substituted, namely:

"(4) A sugar undertaking shall not be eligible to apply for a loan under this rule for one or more of the following reasons or purposes, namely:

(a) a second hand project, equipment or machinery:

Provided that a sugar undertaking shall be eligible to apply for a loan for a project where second hand equipment or machinery has been used or is proposed to be used, subject to the following conditions, namely:

(i) use of such second hand machinery or equipment shall not change the overall character of the project, which shall essentially consist of new plant, machinery and equipment;

(ii) it shall technically be certified that the use of the second hand machinery or equipment shall not affect the overall efficiency and life of the project;

(iii) the useful life of the second hand machinery or equipment so used shall not be less than the term of repayment of sugar development fund loan;

(iv) subject to fulfillment of conditions specified in clauses (i) to (iii), the estimated or actual cost of machinery or equipment which are not new shall be deducted from the estimated or actual cost of the project before arriving at the eligible project cost for the purpose of sugar development fund loan;

(b) refinancing.

Explanation:- For the purpose of this clause, the term "refinancing" includes availing of loan for repayment of loan taken from any financial institution or scheduled bank before applying to a financial institution or bank for appraisal in which Sugar Development Fund component is proposed, but shall not include a 'bridge loan' taken in lieu of Sugar Development Fund component after submitting an application to the Standing Committee on Sugar Development Fund;

(c) financing of cost over run;

(d) project commissioned prior to the date of application under these rules;

(e) if such sugar undertaking is a defaulter in respect of repayment of loan availed under Sugar Development Fund or in payment of any dues under the Levy Sugar Price Equalization Fund in respect of any of its sugar factories.";

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(E) in sub-rule (5), for the words "sugar factory", the words "sugar undertaking" shall be substituted;

(F) in sub-rule (6), for the words "sugar factory", the words "sugar undertaking" shall be substituted;

(G) in sub-rule (9), for the words "sugar factory", wherever they occur, the words "sugar undertaking" shall be substituted;

(H) in sub-rule (10),

(i) for the words "sugar factory", wherever they occur, the words "sugar undertaking" shall be substituted;

(ii) in clause (a), for the words "falling under clause (a) of sub-rule (1) of this rule," the words "under this rule" shall be substituted;

(iii) clauses (b) and (c) shall be omitted.

(I) for sub-rule (11), the following sub-rule shall be substituted, namely:

"(11) The amount of loan authorised under sub-rule (10) shall be disbursed by the Central Government to the sugar undertaking or paid by it to the Financial Institution or the Scheduled Bank, as the case may be, for disbursement to the sugar undertaking either in lump sum or in instalments as may be considered necessary by the Central Government."

(J) in sub-rule (12), the words "under clause (a) or clause (c) of sub-rule (10)" shall be omitted;

(K) in sub-rule (15), for the words "sugar factory", the words "sugar undertaking" shall be substituted;

(L) sub-rule (17) shall be omitted;

(M) for the Explanation, the following Explanation shall be substituted, namely:

"Explanation. - For the purpose of this rule, the expression "sugar factory" includes any unit thereof (which may or may not be within the premises of the sugar factory) used for production of anhydrous alcohol or ethanol from alcohol or from molasses for which raw material is supplied by such sugar factory in accordance with the norms specified by the Standing Committee in this behalf."

18. In the said rules, in rule 23,

(A) for the words "sugar factory", wherever they occur, the words "sugar factory of a sugar undertaking" shall be substituted;

(B) in sub-rule (3), after the word "levy sugar price equalization fund", the words "in respect of any of the sugar factories or units thereof" shall be inserted;

(C) for sub-rule (4), the following sub-rule shall be substituted, namely:

"(4) A sugar undertaking shall not be eligible to apply for a loan under this rule for one or more of the following reasons or purposes, namely; --"
(a) a second hand project, equipment or machinery:

Provided that a sugar undertaking shall be eligible to apply for a loan for a project where second hand equipment or machinery has been used or is proposed to be used, subject to the following conditions, namely:-

(i) use of such second hand machinery or equipment shall not change the overall character of the project, which shall essentially consist of new plant, machinery and equipment;

(ii) it shall technically be certified that the use of the second hand machinery or equipment shall not affect the overall efficiency and life of the project;

(iii) the useful life of the second hand machinery or equipment so used shall not be less than the term of repayment of sugar development fund loan;

(iv) subject to fulfillment of conditions specified in clauses (i) to (iii), the estimated or actual cost of machinery or equipment which are not new shall be deducted from the estimated or actual cost of the project before arriving at the eligible project cost for the purpose of sugar development fund loan;

(b) refinancing;

Explanation.- For the purpose of this clause, the term ‘refinancing’ includes availing of loan for repayment of loan taken from any financial institution or scheduled bank before applying to a financial institution or bank for appraisal in which Sugar Development Fund component is proposed, but shall not include a ‘bridge loan’ taken in lieu of Sugar Development Fund component after submitting an application to the Standing Committee on Sugar Development Fund.

(c) financing of cost overrun;

(d) project commissioned prior to the date of application under these rules;

(e) if such sugar undertaking is a defaulter in respect of repayment of loan availed under Sugar Development Fund or in payment of any dues under the Levy Sugar Price Equalization Fund in respect of any of its sugar factories.

(D) in sub-rule (14), in clause (b), for the words “annually”, the words “half yearly” shall be substituted;

(E) sub-rule (17) shall be omitted;

(F) for the Explanation, the following Explanation shall be substituted.-

“Explanation.- For the purpose of this rule, the expression “sugar factory” includes any unit thereof (which may or may not be within the premises of the sugar factory) used for bagasse based cogeneration power project for which raw material is supplied by the said sugar factory in accordance with the norms specified by the Standing Committee in this behalf.”

19. In the said rules, in rule 24, sub-rule (3) shall be omitted.
20. In the said rules, in rule 25, save as otherwise provided,-
(a) for the words "sugar factory", wherever they occur, the words "sugar undertaking" shall be substituted;
(b) in sub-rule (3), for the words "two and a half per cent per annum on the amount of default shall be", the words "six percent per annum on the amount of default or at such rate as may be decided by the Central Government shall be" shall be substituted;
(c) in sub-rule (6), for the words "the sugar factory", the words "any sugar factory under the sugar undertaking" shall be substituted.

21. In the said rules, in rule 26,-
(a) in sub-rule (1), the following provisos shall be inserted, namely:

"Provided that while so restructuring, no portion of the outstanding principal or simple interest at applicable rates at the relevant time shall be waived off:

Provided further that the Central Government may, at its discretion, waive additional interest in full or in part, for reasons to be recorded in writing."

(b) in sub-rule (9), in clause (b), for the words "four percent per annum on the amount of default shall be", the words "six percent per annum on the amount of default or at such rate as may be decided by the Central Government shall be" shall be substituted;

(c) in sub-rule (14), for the words "sugar factory", the words "any sugar factory under the sugar undertaking" shall be substituted.

[F.No.l-1612007-SDF]
T. JACOB, Ji. Secy.

Footnote: The Principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R 752(E), dated 28-9-1983 and were subsequently amended by the following notifications:

(i) G.S.R 817 (E), dated the 20th December, 1984;
(ii) G.S.R 838 (E), dated the 14th November, 1985;
(iii) G.S.R 551 (E), dated the 6th May, 1988;
(iv) G.S.R 235(E), dated the 24th April, 1991;
(v) G.S.R 441 (E), dated the 28th April, 1992;
(vi) G.S.R 435 (E), dated the 6th May, 1994;
(vii) G.S.R 27 (E) dated the 12th January, 1996;
(viii) G.S.R 656 (E), dated the 21st November, 1997;
(ix) G.S.R 91 (E), dated the 12th February, 2001;
(x) G.S.R 886 (E), dated the 6th December, 2001;
(xi) G.S.R 442 (E), dated the 21st June, 2002;
(xii) G.S.R 584 (E), dated the 19th August, 2002;
(xiii) G.S.R 67 (E), dated the 29th January, 2003;
(xiv) G.S.R 241 (E), dated the 25th March, 2003;
(xv) G.S.R 787 (E), dated the 6th October, 2003;
(xvi) G.S.R 895 (E), dated the 19th November, 2003;
(xvii) G.S.R 953 (E), dated the 17th December, 2003;
(xviii) G.S.R 72 (E), dated the 23rd January, 2004;
(xix) G.S.R 687 (E), dated the 21st October, 2004;
(xx) G.S.R 739 (E), dated the 9th November, 2004;
(xxi) G.S.R 149 (E), dated the 2nd March, 2005;
(xxii) G.S.R 451 (E), dated the 4th July, 2005;
(xxiii) G.S.R 558 (E), dated the 15th September, 2006;
(xxiv) G.S.R 188 (E), dated the 9th March, 2007;
(xxv) G.S.R. 697 (E), dated the 7th November, 2007;
(xxvi) G.S.R 699 (E), dated the 8th November, 2007;
(xxvii) G.S.R 738 (E), dated the 29th November, 2007;
(xxviii) G.S.R. 749 (E), dated the 5th December, 2007;
(xxix) G.S.R. 115 (E), dated the 28th February, 2008;
(xxx) G.S.R. 279 (E), dated the 10th April, 2008;
( xxxi) G.S.R. 388 (E), dated the 19th May, 2008.
( xxxii) G.S.R. 508(E), dated the 7th July, 2009.
NOTIFICATION

New Delhi, the 8th April 2013

G.S.R. 210(E)—In exercise of the powers conferred by Section 9 of the Sugar Development Fund Act, 1932 (4 of 1932), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2013.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983, in rule 17, in sub-rule (2), for the words “disbursement only through the”, the words “disbursed directly to the sugar factory under intimation to the” shall be substituted.

[F. No. 1-16/2007-SDF]

T. JACOB, Jt. Secy.
Footnote: The Principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R 752(E), dated 28th September, 1983 and were subsequently amended by the following notifications:

(i) G.S.R. 817 (E), dated the 20th December, 1984;
(ii) G.S.R. 838 (E), dated the 14th November, 1985;
(iii) G.S.R. 551 (E), dated the 6th May, 1988;
(iv) G.S.R. 235(E), dated the 24th April, 1991;
(v) G.S.R. 441 (E), dated the 28th April, 1992;
(vi) G.S.R. 435 (E), dated the 6th May, 1994;
(vii) G.S.R. 27 (E), dated the 12th January, 1996;
(viii) G.S.R. 656 (E), dated the 21st November, 1997;
(ix) G.S.R. 91 (E), dated the 12th February, 2001;
(x) G.S.R. 856 (E), dated the 6th December, 2001;
(xi) G.S.R. 442 (E), dated the 21st June, 2002;
(xii) G.S.R. 584 (E), dated the 19th August, 2002;
(xiii) G.S.R. 67 (E), dated the 3rd January, 2003;
(xiv) G.S.R. 241 (E), dated the 25th March, 2003;
(xv) G.S.R. 787 (E), dated the 6th October, 2003;
(xvi) G.S.R. 895 (E), dated the 19th November, 2003;
(xvii) G.S.R. 953 (E), dated the 17th December, 2003;
(xviii) G.S.R. 72 (E), dated the 23rd January, 2004;
(xix) G.S.R. 687 (E), dated the 21st October, 2004;
(xx) G.S.R. 739 (E), dated the 9th November, 2004;
(xxi) G.S.R. 149 (E), dated the 2nd March, 2005;
(xxii) G.S.R. 451 (E), dated the 4th July, 2005;
(xxiii) G.S.R. 558 (E), dated the 15th September, 2006;
(xxiv) G.S.R. 188 (E), dated the 9th March, 2007;
(xxv) G.S.R. 697 (E), dated the 7th November, 2007;
(xxvi) G.S.R. 699 (E), dated the 8th November, 2007;
(xxvii) G.S.R. 738 (E), dated the 29th November, 2007;
(xxviii) G.S.R. 749 (E), dated the 5th December, 2007;
(xxix) G.S.R. 115 (E), dated the 28th February, 2008;
(xxx) G.S.R. 279 (E), dated the 10th April, 2008;
(xxxi) G.S.R. 388 (E), dated the 19th May, 2008.
(xxxii) G.S.R. 508(E), dated the 7th July, 2009.
(xxxiii) G.S.R. 599(E), dated the 30th July, 2012.
G.S.R. 847(E).—In exercise of the powers conferred by sub-section (2) of section 4 read with sub-section (2) of section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. Short title and commencement.—(1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2015.

(2) They shall come into force on the date of their publication in Official Gazette.

2. In the Sugar Development Fund Rules, 1983, (hereinafter referred to as the principal rules), in rule 7, in sub-rule (1), after the figures “22”, the figures and letter “22A” shall be inserted.

3. In the principal rules, in rule 22, in sub-rule (4), in clause (b), for the Explanation, the following Explanation shall be substituted, namely:—

"Explanation. — For the purposes of this clause and clause (b) of sub-rule (3) of rule 22A,—

(A) "refinancing" includes availing of loan for repayment of loan taken from any financial institution or scheduled bank before applying to a Financial Institution or bank for appraisal in which Fund component is proposed, but shall not include a "bridge loan" taken in lieu of Fund component after submitting an application to the Standing Committee on Fund;

(B) "bridge loan" means a short loan from any Financial Institution in lieu of Fund loan and the same shall be repaid on disbursement of the same.".

4. In the principal rules, after rule 22, the following rule shall be inserted, namely:—

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 9th November, 2015

G.S.R. 847(E).—In exercise of the powers conferred by sub-section (2) of section 4 read with sub-section (2) of section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:—

1. Short title and commencement.—(1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2015.

(2) They shall come into force on the date of their publication in Official Gazette.

2. In the Sugar Development Fund Rules, 1983, (hereinafter referred to as the principal rules), in rule 7, in sub-rule (1), after the figures “22”, the figures and letter “22A” shall be inserted.

3. In the principal rules, in rule 22, in sub-rule (4), in clause (b), for the Explanation, the following Explanation shall be substituted, namely:—

"Explanation. — For the purposes of this clause and clause (b) of sub-rule (3) of rule 22A,—

(A) "refinancing" includes availing of loan for repayment of loan taken from any financial institution or scheduled bank before applying to a Financial Institution or bank for appraisal in which Fund component is proposed, but shall not include a "bridge loan" taken in lieu of Fund component after submitting an application to the Standing Committee on Fund;

(B) "bridge loan" means a short loan from any Financial Institution in lieu of Fund loan and the same shall be repaid on disbursement of the same.".

4. In the principal rules, after rule 22, the following rule shall be inserted, namely:—
22A. Loan for conversion of existing ethanol plant into zero liquid discharge plant—(1) Any sugar factory of an undertaking having an installed capacity of two thousand five hundred Tonnes crushed per day or higher to which financial assistance has been approved by a Financial Institution or a scheduled bank for it to implement a project for conversion of existing ethanol plant into zero liquid discharge plant by installing the required plant and machinery shall be eligible to apply for loan under this rule:

Provided that ten per cent of the project cost shall be met by the sugar factory of an undertaking from its own internal generation of funds as part of the promoters' contribution required by the Financial Institution or the scheduled bank.

(2) A sugar undertaking which is in default of payment that has become due in respect of the Fund and the Levy Sugar Price Equalisation Fund relating to any of the sugar factories or units under it shall not be eligible to apply for a loan under this rule.

(3) A sugar undertaking shall not be eligible to apply for a loan under this rule for any of the following reasons or purposes, namely:

(a) if loan is with respect to a second hand project, equipment or machinery:

Provided that a sugar undertaking shall be eligible to apply for a loan for a project where second hand equipment or machinery has been used or is proposed to be used, subject to the following conditions, namely—

(i) use of such second hand machinery or equipment shall not change the overall character of the project, which shall essentially consist of new plant, machinery and equipment;

(ii) it shall technically be certified that the use of the second hand machinery or equipment shall not affect the overall efficiency and life of the project;

(iii) the useful life of the second hand machinery or equipment so used shall not be less than the term of repayment of sugar development fund loan;

(iv) subject to fulfilment of conditions specified in sub-clauses (i) to (iii), the estimated or actual cost of machinery or equipment which are not new shall be deducted from the estimated or actual cost of the project before arriving at the eligible project cost for the purpose of Fund loan;

(b) refinancing;

(c) financing of cost over run;

(d) project commissioned prior to the date of application under these rules;

(e) if such sugar undertaking is a defaulter in respect of repayment of loan availed under Fund or in payment of any dues under the Levy Sugar Price Equalisation Fund in respect of any of its sugar factories.

(5) (i) The Committee may, with the previous approval of the Central Government make any class or classes of sugar undertaking ineligible for loan under this rule.

(ii) The sub-committee or Committee shall record the reasons in writing if it decides that an applicant is not eligible for loan.

(5) An eligible sugar undertaking under this rule, shall make an application to the Committee in Form VII-A in duplicate along with a copy each of its balance sheet and profit and loss account for the last three consecutive years preceding the year in which the application is made.

(6) (i) All applications made under sub-rule (5) shall first be placed before the sub-committee;

(ii) The Member-Secretary of the Committee, who shall be the Convener of the Committee, shall call a meeting of the sub-committee once in a month where there is application for loan.

(iii) The sub-committee shall consider the application and all other relevant factors and give its recommendation for the consideration of the Committee in its next meeting.

(7) It shall be open to the Committee and the sub-committee to call for any further information from the applicant or refer the matter to an expert group of experts or expert organisations to make an investigation and report on any aspect relating to the application before making their recommendations.

(8) (i) The Committee shall after taking into account the recommendations of the sub-committee, and after considering the information or report obtained by the Committee under sub-rule (7), if any, and all relevant aspects, make its recommendations as to the amount of loan that may be made to the sugar undertaking.
(ii) The Committee may also, with the previous approval of the Central Government, issue directions to the sub-committee to make a recommendation directly to the Central Government on the amount of loan that may be made to the sugar undertaking.

(9) In respect of a sugar undertaking that has applied for a loan, falling under this rule, the Central Government may after consideration of the recommendation of the Committee and any other relevant factor with view to improving its viability, authorise payment of such amount of loan not exceeding the amount required by the Financial Institution or the scheduled bank, as the case may be, to be contributed by such sugar undertaking as promoters' contribution as may be determined by the Central Government.

(10) The amount of loan authorised under sub-rule (9) shall be disbursed by the Central Government to the sugar undertaking or paid by it to the Financial Institution or the scheduled bank, as the case may be, for disbursement to the sugar undertaking either in lump sum or in instalments as may be considered necessary by the Central Government.

(11) The Financial Institution or the scheduled bank, as the case may be, shall treat the amount authorised as a part of the promoters' contribution.

(12) (i) The loan from the Fund along with the interest due thereon shall be recovered in half-yearly instalments not exceeding eight in number.

(ii) The repayment of the loan with interest thereon shall commence after the expiry of one year reckoned from the date of each disbursement of the loan from the Fund.

(13) (i) The disbursement of the loan authorised by the Central Government under sub-rule (9) shall be preceded by a tripartite agreement between the Central Government, the sugar undertaking and the Financial Institution or the scheduled bank, or a bilateral agreement between the Central Government and the sugar undertaking, as the case may be.

(ii) The agreement referred to in clause (a), shall contain the terms and conditions with regard to the utilisation of the loan including an accounting of the utilisation of the project by an agency designated by the Central Government in this behalf, the period of repayment including the number and amount of instalment, payment of interest, the manner of such repayment or payment, security to be provided for the loan and any other matter incidental to the loan.

Explanation—For the purpose of this rule, the expression “sugar factory” includes any unit thereof (which may or may not be within the premises of the sugar factory) used for production of anhydrous alcohol or ethanol from alcohol or from molasses for which raw material is supplied by such sugar factory in accordance with the norms specified by the Committee in this behalf.

5. In the principle rules, in rule 24, in sub rule (1), after the figures “22”, the figures and letter “22A” shall be inserted.

6. In the principle rules, in rule 25, in sub rule (1), after the figures “22”, the figures and letter “22A” shall be inserted.

7. In the principle rules, in rule 26, in sub rule (1), after the figures “22”, the figures and letter “22A” shall be inserted.

Form VII A
(see sub-rule (5) of rule 22A)
Application for Financial Assistance from the Fund for implementing projects for Zero Liquid Discharge (ZLD)

1. Name of applicant:
2. Address:
   (i) Registered Office
   (ii) Location of the factory
3. Constitution (Whether Co-operative Society
   Private/Public Limited Company/Joint Sector
   Public Sector Company):
4. Date of Incorporation/Registration:
5. Existing Activity/Past performance:
   (i) Briefly state the present activities;
   (ii) Performance during the last 3 years
A. Salient production and operating results

(Year ended for three consecutive years preceding the year in which the application is made)

| (1) Licensed crushing capacity (tonnes crushed per day) | 200 | 200 | 200 |
| (2) Installed crushing capacity (tonnes crushed per day) |   |   |   |
| (3) Licensed capacity of the alcohol manufacturing plant (₹000 litres) |   |   |   |
| (4) Installed capacity of the alcohol manufacturing plant (₹000 litres) |   |   |   |
| (5) Installed capacity of ethanol manufacturing plant (₹000 litres) |   |   |   |
| (6) Capacity utilisation (% of installed capacity) |   |   |   |
|   (a) Sugar |   |   |   |
|   (b) Alcohol |   |   |   |
|   (c) Ethanol |   |   |   |
| (7) Production |   |   |   |
|   (a) Sugar (₹000 tonnes) |   |   |   |
|   (b) Alcohol (₹000 litres) |   |   |   |
|   (c) Ethanol (₹000 litres) |   |   |   |
|   (d) Molasses |   |   |   |

B. Working results:

(Year ended for three consecutive years preceding the year in which the application is made)

I. (1) Sales net of Excise Duty
   (i) Sugar
   (ii) Alcohol
   (iii) Any other product
   Total of (1)
(2) Less:
   Direct Production Expenses
(3) Gross Profit (1-2)
(4) Less:
   (a) Manufacturing Expenses
   (b) Administrative Expenses
   (c) Selling and Distribution Expenses
   Total of (4)
(5) Operating Profit before depreciation and interest (3-4)
(6) Add: Other income
(7) Net profit before depreciation and interest (5+6)
(8) Less:
   (a) Depreciation
   (b) Interest
   \[\text{Total of (8)}\]
(9) Net profit before taxation (7-8)
(10) Less:
   Provision for taxation
(11) Net profit after tax (9-10)
(12) Equity as at the end of
(13) Return on equity [(11)/(12)*100]
(14) Debt as at the end of
(15) Average interest rate on debt [(85)/(10)*100]
(16) Weighted average cost of capital
   \[\frac{[\{(12)*13\}+(14)*15]}{\{(12)*14\}}\]

II. (1) Cane price payable (Rs. lakhs)
(2) Cane price paid (Rs. lakhs)
(3) Cane price arrears (Rs. lakhs)

C. Financial position
   (for three consecutive years preceding the year in
   which the application is made)
   Source of Funds
   1. Shareholders/owners' funds
      (a) Capital
      (b) Reserve and surplus
      \[\text{Total}\]
   2. Loan Funds
      (a) Secured Loans
         1. Term loans
         2. Sugar Development Fund Loans
         3. Working Capital Loans
         \[\text{Total}\]
      (b) Unsecured Loans
         1. From Banks/FIs.
         2. Others
         \[\text{Total}\]
         \[\text{Total (a+b)}\]
         \[\text{Total of (1)}\]

III. Application of Funds
   1. Fixed Assets
      (a) Gross Block
         \[\text{Less: Depreciation}\]

\[\text{Year ended}\]
\[200\ 200\ 200\]
(b) Net Block
   Add: Capital work in progress
   Total

2. Investments

3. Working capital

3.1 Current Assets Loans and Advances:
   (a) Inventories
   (b) Sundry Debtors
   (c) Cash and Bank balances
   (d) Other current assets
   (e) Loan and advances
   Total (a to e)

3.2 Current liabilities and provision
   (a) Current liabilities
   (b) Provisions
   Total (a+b)

Working Capital (3.1 minus 3.2)
Total of (II)

6. Management:
   (a) Board of Directors
   (b) Executive set-up

7. A. (1) Brief description of the proposed project
        and how the project is expected to improve
        the operational/viability of the sugar factory
        (enclose a copy of the project report)
   (2) Proposed ethanol manufacturing capacity (7000 litres)
   (3) Project implementation period (months)

B. Financial Details as appraised (Rs. lakhs)
   (1) Capital cost of project
   (2) Sources of financing
       Equity:—
       (a) Promoters' contribution Debt:
       (a) Sugar Development Fund Loan
       (b) Term loan
       Total Investment

C. Project viability details:
   (1) Average return on Equity (%)
   (2) Average interest rate on debt (%)
   (3) Weighted average cost of capital (%)
   (4) Average Debt Service Coverage Ratio
   (5) Pay back period (years)
8. Whether the project has been approved by an All India Financial Institution/Scheduled Bank for assistance under its relevant scheme (name of the scheme and pattern of funding of the scheme):
(a) If so enclose a certified true copy of the “Letter of Intent” issued by the Lead Institution
(b) List out any condition(s) of material nature stipulated by the Lead Institution including rate of interest repayment period and security

9. Please furnish the project profitability and cash flow statement in the proforma at Annexure.

Place: 
Signature: 
Name: 
Designation: 
Name and Address of the Sugar Factory (Occupier)

ANNEXURE
Project profitability and cash flow statement
(for the year of investment and subsequent 10 years)

<table>
<thead>
<tr>
<th>Year ended</th>
<th>200</th>
<th>200</th>
<th>200</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Rs. in lakhs)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Capacity Utilisation (%)

1. Profitability
   (1) Sales net of Excise Duty
   (2) Less:
       Direct Production Expenses
   (3) Gross Profit (1-2)
   (4) Less:
       (a) Manufacturing Expenses
       (b) Administrative Expenses
       (c) Selling and Distribution Expenses
       Total of (4)
   (5) Operating profit before depreciation and interest (3-4)
   (6) Add: other income
   (7) Net profit before depreciation and interest (5+6)
<table>
<thead>
<tr>
<th>Step</th>
<th>Formula/Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(8) Less</td>
<td></td>
</tr>
<tr>
<td>(a) Depreciation</td>
<td></td>
</tr>
<tr>
<td>(b) Interest</td>
<td></td>
</tr>
<tr>
<td>Total of (8)</td>
<td></td>
</tr>
<tr>
<td>(9) Net profit before taxation (7-8)</td>
<td></td>
</tr>
<tr>
<td>(10) Less</td>
<td>Provision for taxation</td>
</tr>
<tr>
<td>(11) Net profit after tax (9-10)</td>
<td></td>
</tr>
<tr>
<td>(12) Equity as at the end of</td>
<td></td>
</tr>
<tr>
<td>(13) Return on equity ((11)/(12)*100)</td>
<td></td>
</tr>
<tr>
<td>(14) Debt as at the end of</td>
<td></td>
</tr>
<tr>
<td>(15) Average interest rate on debt ((8b)/(14)*100)</td>
<td></td>
</tr>
<tr>
<td>(16) Weighted average cost of capital</td>
<td></td>
</tr>
</tbody>
</table>

\[ \frac{[(12) - (13)] - (14)}{(12) + (14)} \]

2. Cash flows

<table>
<thead>
<tr>
<th>Step</th>
<th>Formula/Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Net profit after tax (see item 1)</td>
<td></td>
</tr>
<tr>
<td>(2) Add: Items debited to profit and loss account</td>
<td></td>
</tr>
<tr>
<td>(a) Depreciation</td>
<td></td>
</tr>
<tr>
<td>(b) Interest expenses</td>
<td></td>
</tr>
<tr>
<td>(c) Income-tax provisions</td>
<td></td>
</tr>
<tr>
<td>(d) Other non-cash debits</td>
<td></td>
</tr>
<tr>
<td>Total of (2)</td>
<td></td>
</tr>
<tr>
<td>(3) Total (1+2)</td>
<td></td>
</tr>
<tr>
<td>(4) Less: Items credited to profit and loss account</td>
<td></td>
</tr>
<tr>
<td>(a) Interest income</td>
<td></td>
</tr>
<tr>
<td>(b) Dividend income</td>
<td></td>
</tr>
<tr>
<td>(c) Other credits (to specify)</td>
<td></td>
</tr>
<tr>
<td>Total of (4)</td>
<td></td>
</tr>
<tr>
<td>(5) Total (5-4)</td>
<td></td>
</tr>
<tr>
<td>(6) Less:</td>
<td></td>
</tr>
<tr>
<td>(a) Interest paid</td>
<td></td>
</tr>
<tr>
<td>(b) Income-tax paid</td>
<td></td>
</tr>
<tr>
<td>(c) Dividends paid</td>
<td></td>
</tr>
<tr>
<td>Total of (6)</td>
<td></td>
</tr>
<tr>
<td>(7) Total (5-6)</td>
<td></td>
</tr>
<tr>
<td>(8) Add: revenue receipts and actually received</td>
<td></td>
</tr>
<tr>
<td>(a) Interest</td>
<td></td>
</tr>
<tr>
<td>(b) Dividends</td>
<td></td>
</tr>
<tr>
<td>(c) Other receipts (to specify)</td>
<td></td>
</tr>
<tr>
<td>Total of (8)</td>
<td></td>
</tr>
<tr>
<td>(9) Total (7+8)</td>
<td></td>
</tr>
</tbody>
</table>
(10) Working Capital Changes

(i) Add:
(a) Decrease in sundry debtors/receivables
(b) Decrease in inventories
(c) Increase in sundry creditors/payables
Total of (i)

(ii) Less:
(a) Increase in sundry debtors/receivables
(b) Increase in inventories
(c) Decrease in sundry creditors/payables
Total of (ii)
Total of item 10[(i)-(ii)]

(11) Cash flow from operations (9+10)

(12) Capital Items

(i) Add:
(a) Issue of share Capital
(b) Issue of Debentures
(c) Long term loans
(d) Sale of Assets
Total of (i)

(ii) Less:
(a) Investment in Project
(b) Redemption of Capital
(c) Redemption of Debentures
(d) Repayment of long-term loans
Total of (ii)
Total of Item 12[(i)-(ii)]

(13) Total cash flow (11+12)

(14) Debt Service Coverage \( \frac{11}{12+12(1-Tax\ rate)} \)

(15) Payback period (years)

(16) Net Present Value (discount rate at (16) above)

(17) Internal Rate of Return

[F.No.11-18/2015-SDP]

PRASHANT TRIVEDI, Jt. Secy. (S&S A)

Note: The principal notification was published in the Gazette of India vide notification number G.S.R. 752(E) dated 27th September, 1983 and was last amended vide notification number G.S.R. 210(E) dated 8th April, 2013.
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Department of Food and Public Distribution)

NOTIFICATION
New Delhi, the 13th January, 2016

G.S.R. 23(E).—In exercise of the powers conferred by section 9 of the Sugar Development Fund Act, 1982 (4 of 1982), the Central Government hereby makes the following rules further to amend the Sugar Development Fund Rules, 1983, namely:

1. (1) These rules may be called the Sugar Development Fund (Amendment) Rules, 2016.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Sugar Development Fund Rules, 1983,—

(i) in rule 6, item (5) shall be omitted;

(ii) in rule 18, in sub-rule (1), in the proviso, for the words, figures and brackets, “the Standing Research Advisory Committee of the Development Council for Sugar Industry established under section 6 of the Industries (Development and Regulation) Act, 1951 (65 of 1951)”, the words “the sub-committee for Grant-in-aid for Research project constituted under the Committee through an order to be issued by the Central Government” shall be substituted.

[F. No.-6/1/2015-SDF]

PRASHANT TRIVEDI, Jt. Secy. (S&SA)

Note: - The principal rules were published in the Gazette of India vide notification number G.S.R. 752 (E) dated the 27th September, 1983 and last amended vide notification number G.S.R. 847-(E), dated the 9th November, 2015.