

  
सत्यमेव जयते

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असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

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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* for 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 fund 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.

(4) (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 or 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.

