

<p>पंजाब एंड सिंध बैंक (भारत सरकार का एक उपक्रम) प्र.का .प्राथमिकता क्षेत्र (अग्रिम) विभाग पांचवा तल, बैंक हॉउस 21, राजेन्द्र प्लेस, नई दिल्ली -110008 दूरभाष : 011-25716801, 011-25715809 ईमेल:- ho.psb@psb.co.in</p>	<p>ੴ ਸ੍ਰੀ ਵਾਗਿਗੁਰੂ ਨੀ ਕੀ ਫ਼ਤਹਿ</p>  <p>पी.एस.बी.</p>	<p>PUNJAB & SIND BANK (A Government of India Undertaking) H.O. Priority Sector (Advances) Deptt. 5th Floor, Bank House, 21, Rajendra Place, New Delhi Phone: 011-25716801, 011-25715809 E-mail: ho.psb@psb.co.in</p>	
<p>प्र. का. प्र. क्षे. परिपत्र संख्या/H.O. P.S. Cir. No.</p>	<p>611</p>	<p>दि/Date:</p>	<p>19.06.2021</p>
<p>विभाग की कूट संख्या/Code No. of the Department</p>	<p>H-9014</p>		
<p>परिपत्र की पृष्ठ संख्या/Number of pages of circular</p>	<p>44</p>		

ALL BRANCHES/ OFFICES

Reg: Scheme for extending financial assistance to project proponents for enhancement of ethanol distillation capacity or to set up distilleries for producing 1st generation (1G) ethanol from feed stocks

The Department of Food and Public Distribution(DFPD), Ministry of Consumer Affairs, Food and Public Distribution, Government of India (GoI) with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programmes has notified a modified scheme “Scheme for extending financial assistance to project proponents for enhancement of their ethanol distillation capacity or to set up distilleries for producing 1st Generation (1G) ethanol from feed stocks such as cereals (rice, wheat, barley, corn & sorghum), sugarcane, sugar beet etc.”

Keeping in view of the above, Priority Sector Department has launched a **Scheme for extending financial assistance to project proponents for enhancement of ethanol distillation capacity or to set up distilleries for producing 1st generation (1G) ethanol from feed stocks**. The detailed scheme guidelines are placed at **Annexure I**.

All concerned are advised to go through the scheme guidelines carefully for meticulous compliance.



Ravi Mehra

(General Manager)

Enclosure: ANNEXURE I-VIII

**GUIDELINES CUM STANDARD OPERATING PROCEDURE (SOP) FOR EXTENDING
FINANCIAL ASSISTANCE TO PROJECT PROPONENTS FOR ENHANCEMENT OF ETHANOL
DISTILLATION CAPACITY OR TO SET UP DISTILLERIES FOR PRODUCING 1ST
GENERATION (1G) ETHANOL FROM FEED STOCKS**

Sl. No.	Parameter	Particulars
1.	Eligibility	<ul style="list-style-type: none">i. For setting up grain based distilleries / expansion of existing grain based distilleries to produce ethanol.ii. For setting up new molasses based distilleries / expansion of existing distilleries (whether attached to sugar mills or standalone distilleries) to produce ethanol and for installing any method approved by Central Pollution Control Board for achieving Zero Liquid Discharge (ZLD).iii. To set up new dual feed distilleries or to expand existing capacities of dual feed distilleries.iv. To convert existing molasses based distilleries (whether attached to sugar mills or standalone distilleries) to dual feed (molasses and grain / or any other feed stock producing 1G Ethanol) and alsov. To convert grain based distilleries to dual feed.vi. To set up new distilleries / expansion of existing distilleries to produce ethanol from other feed stocks producing First-generation (1G) ethanol such as sugar beet, sorghum, cereals etc.vii. To install Molecular Sieve Dehydration (MSDH) column to convert rectified spirit to ethanol in the existing distilleries.
2.	Assistance under the Scheme (as per Gol guidelines- Interest Subvention)	<ul style="list-style-type: none">i. Interest subvention @ 6% per annum or 50% of rate of interest charged by banks which are eligible for re-finance from NABARD, whichever is lower, on the loans extended by banks which are eligible for re-finance from NABARD, shall be borne by the Government of India for five years (including one-year moratorium).

	<p>ii. The benefit of interest subvention will be provided by the Government only if the account of applicant sugar mill / distillery account is Standard. The benefit will not be available as long as account is NPA. The sugar mill/distillery will be responsible for repayment of interest including penal interest for the period of default along with the principal.</p> <p>iii. Loan accounts settled by borrowers under One Time Settlement scheme/ compromise etc. will not be eligible for interest subvention.</p> <p>iv. Interest subvention under the scheme shall be provided on loan amount sanctioned and disbursed in respect of each project based on the proposed capacity, limited to the in-principle approval by Department of Food and Public Distribution (DFPD).</p> <p>v. Interest subvention would be available to only those distilleries which will supply at least 75% of ethanol produced from the added distillation capacity to Oil Marketing Companies (OMCs) for blending with petrol.</p> <p>vi. In case of grain based distilleries, interest subvention would be applicable only if they are using or will be using dry milling technique to produce Distillers Dried Grains with Solubles (DDGS).</p> <p>vii. Assistance shall not be available to sugar mills and distilleries which have availed benefits under any other scheme of Central Government for the same project.</p> <p>viii. The Department of Food and Public Distribution (DFPD) will release the interest subvention amount on quarterly basis in advance to the nodal bank. The interest earned on the interest subvention paid in advance shall be adjusted in the next quarterly installment.</p>
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3.	Submission of Application to appropriate authority for seeking in principle approval	<p>Application-cum-proposal on the prescribed Proforma (Annexure-II) shall be submitted by the borrower for in principle approval to the Director (Sugar), Directorate of Sugar and Vegetable Oils Department of Food & Public Distribution (DFPD), Krishi Bhawan, New Delhi.</p> <p>After getting in principal approval, borrower shall approach to the lending bank for further process.</p>																																							
4.	Quantum of Loan	Term Loan: Need based																																							
5.	Rate of Interest	<p>Rate of Interest (% PA) for Loan up to Rs 10.00 Lakh</p> <table border="1" data-bbox="563 656 1505 909"> <thead> <tr> <th data-bbox="563 656 762 808">Limit</th> <th data-bbox="762 656 948 808">Repo</th> <th data-bbox="948 656 1126 808">Credit Risk Premium</th> <th data-bbox="1126 656 1321 808">Business strategy Premium</th> <th data-bbox="1321 656 1505 808">Effective RoI (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="563 808 762 909">Up to Rs 10 Lakh</td> <td data-bbox="762 808 948 909">4.00</td> <td data-bbox="948 808 1126 909">1.00</td> <td data-bbox="1126 808 1321 909">2.00</td> <td data-bbox="1321 808 1505 909">7.00%</td> </tr> </tbody> </table> <p>➤ Credit facilities Upto Rs.10 lacs - coverage under CGFMU/CGTMSE.</p> <p>Rate of Interest (% PA) above Rs 10 Lakh to Rs 100 Crore</p> <table border="1" data-bbox="563 1066 1505 1435"> <thead> <tr> <th data-bbox="563 1066 762 1218">Internal Rating</th> <th data-bbox="762 1066 919 1218">Repo</th> <th data-bbox="919 1066 1126 1218">Credit Risk Premium</th> <th data-bbox="1126 1066 1321 1218">Business strategy Premium</th> <th data-bbox="1321 1066 1505 1218">Effective RoI (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="563 1218 762 1267">1</td> <td data-bbox="762 1218 919 1267">4</td> <td data-bbox="919 1218 1126 1267">2.13</td> <td data-bbox="1126 1218 1321 1267">2.37</td> <td data-bbox="1321 1218 1505 1267">8.50</td> </tr> <tr> <td data-bbox="563 1267 762 1317">2</td> <td data-bbox="762 1267 919 1317">4</td> <td data-bbox="919 1267 1126 1317">2.18</td> <td data-bbox="1126 1267 1321 1317">2.42</td> <td data-bbox="1321 1267 1505 1317">8.60</td> </tr> <tr> <td data-bbox="563 1317 762 1366">3</td> <td data-bbox="762 1317 919 1366">4</td> <td data-bbox="919 1317 1126 1366">2.23</td> <td data-bbox="1126 1317 1321 1366">2.47</td> <td data-bbox="1321 1317 1505 1366">8.70</td> </tr> <tr> <td data-bbox="563 1366 762 1435">4</td> <td data-bbox="762 1366 919 1435">4</td> <td data-bbox="919 1366 1126 1435">2.28</td> <td data-bbox="1126 1366 1321 1435">2.52</td> <td data-bbox="1321 1366 1505 1435">8.80</td> </tr> </tbody> </table> <p>Above Rs 100 Crore Rate of Interest applicable for MSME – Presently as per HO. Risk Management Circular No. 474 dated 15.10.2020 and subsequent amendments.</p> <p>#Concessions (If any): As per banks guidelines Note: The internal credit rating of the borrower should be between 1 to 4. Further, any deviation in credit rating is to be allowed by GM (PS) on merits.</p>					Limit	Repo	Credit Risk Premium	Business strategy Premium	Effective RoI (%)	Up to Rs 10 Lakh	4.00	1.00	2.00	7.00%	Internal Rating	Repo	Credit Risk Premium	Business strategy Premium	Effective RoI (%)	1	4	2.13	2.37	8.50	2	4	2.18	2.42	8.60	3	4	2.23	2.47	8.70	4	4	2.28	2.52	8.80
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6.	Time line for processing application received	Within 30 days of receipt of all documents / papers.
7.	Type of Loan	Term Loan
8.	Tenor of loan	Door to Door Tenor shall not exceed 10 Years. <i>However, payment of interest subvention on loan amount under the scheme will be limited to only 5 years including one year moratorium period.</i>
9.	Margin	5% of the project cost wherever tripartite agreement amongst the project proponents, the bank and the OMC for purchase of ethanol is executed.
10.	Discretionary Lending Power	All loans under the scheme are to be sanctioned by authorities as per their delegated powers presently vested as per HO CMP Circular No. 1720 dated 01.01.2019 and subsequent amendments issued from time to time.
11.	DSCR	As per Bank's guidelines, net debt service coverage ratio, i.e. exclusive of interest payable shall normally not go below average 1.50. The same may be accepted upto 1.25:1 by sanctioning authority. (However, DSCR should not be below 1.10:1 in any year.)
12.	Security	<p>Primary Security:</p> <ul style="list-style-type: none"> • Term Loan: The project proponents would be required to make available first exclusive charge / first pari passu charge on its Fixed Assets, as primary security purchased out of bank finance. <p>Collateral Security: 5% of the loan amount</p> <ul style="list-style-type: none"> • Extension of 1st / 2nd (pari passu) charges on other existing securities or other securities where residual value is available/ which are free from encumbrances as the case may be. • Personal guarantees of Promoters / Directors (excluding Nominee/ Professional/ Independent Director) should be obtained for the proposed loan. <p><i>However, Waiver of personal guarantee may be permitted by the Sanctioning Authority on case to case basis.</i></p>

13. Escrow Agreement		The tripartite agreement shall ensure that the payment from the OMC is routed through a dedicated escrow mechanism whereby it is to be ensured to deduct the amount of instalment for repayment of loan and the interest (after deducting the interest subvention amount to be paid by the Government) after which the balance is to be released to the concerned Project Proponent's account for its other uses. The exercise will be carried out every month.
14. Disbursement		<ul style="list-style-type: none"> i. A tri-partite agreement (TPA) among the producers of ethanol (project proponents), OMCs and the lending bank is to be signed as per proforma enclosed as Annexure-III before disbursement. ii. The financed unit shall submit a certificate duly verified by Central Pollution Control Board certifying the zero-liquid discharge will be achieved through the method proposed. iii. Opinion report on the suppliers of equipment/ machinery to be obtained as per extant instructions. iv. Disbursement shall be made direct to the suppliers of equipment/ machinery proposed to be installed. v. All environment clearances to be obtained before disbursement. vi. The loan shall be disbursed after clearance of Pre-Disbursement Compliance (PDC).
15. Modalities of the Scheme		<ul style="list-style-type: none"> i. Loan to be disbursed which are eligible for re-finance from NABARD, within one year from the date of in principle approval by DFPD, failing which the in-principle approval for the project will stand cancelled. ii. The project should be completed within two years from the date of disbursement of first instalment of loan which are eligible for re-finance from NABARD. iii. The applicant should adhere to the time line as specified by DFPD for various activities viz. arrangement of land for the project, submission of application for seeking approval of environmental clearance in Parivesh portal of Ministry of

		<p>Environment, Forest & Climate Change (http://parivesh.nic.in/) and submission of loan application to the bank which are eligible for re-finance from NABARD, updating progress on the DFPD portal (http://sugarethanol.nic.in/) every month, failing which the in-principle approval for the project shall be cancelled by DFPD.</p> <p>iv. While implementing the respective project, the sugar mills / distilleries shall strive to seek convergence with the Make in India scheme of the Government from capacity addition/up-gradation in ethanol production.</p>
<p>16. Modalities of payment of Interest Subvention</p>		<p>i. Payment of interest subvention on loan amount under the scheme will be limited to 5 years only, including one-year moratorium period.</p> <p>ii. NABARD has been appointed as the 'Nodal Agency' for interacting with the DFPD and managing the subsidy funded for onward reimbursement to respective Banks.</p> <p>iii. Interest subvention will be released by NABARD on quarterly basis, in advance on furnishing details of disbursement of bank loan. Subsequent instalments will be release in three tranches on a quarterly basis on furnishing of utilization certificate. The individual banks shall identify one nodal branch for the purpose of collating the application for claim and submit the consolidated claim request to NABARD within two weeks of end of a quarter. Individual branches of a bank, shall submit their claims to the nodal bank branch within one week of end of the relevant quarter.</p> <p>iv. The Funds released by NABARD, in advance - towards interest subvention, shall be parked in interest bearing account at the Nodal Branch.</p> <p>v. The amount shall be released in advance subject to furnishing of disbursement particulars as well as interest earned by the Bank on the amount released in the previous quarter. Interest earned on subvention advance shall be adjusted in the quarterly instalments from 2nd quarter</p>

onwards.

Modalities to be adopted by our Bank

- i. Large Corporate Branch, Delhi shall act as the Nodal branch for our Bank for collecting the claim applications for all branches and lodging of claims with DFPD/ NABARD.
- ii. All branches shall submit information in advance to the Nodal Branch i.e. Large Corporate Branch, Delhi before disbursement of the loan under the scheme.
- iii. The branches while submitting the claim to the Nodal Branch for claiming interest subvention shall certify that the loan has been utilised for the purpose as specified in the scheme.
- iv. Interest subvention released by NABARD shall be credited to the borrower's loan account within one week from receipt thereof by the identified nodal Bank branch.
- v. The Nodal Bank branch shall submit a consolidated report of claims lodged and interest subvention received within 15 days of receipt of claim amount to NABARD and Department of Food and Distribution, under Department of Financial Services.
- vi. The branch shall ensure submission of the interest claim statement within 5th day of the close of previous quarter to enable the Nodal Branch to lodge the consolidated claim with DFPD/ Head Office of NABARD (Department of Refinance) within two weeks of close of the previous quarter.
- vii. Branches shall obtain a certificate from the Chartered Accountant regarding the correctness of the claim made and submit it to the Nodal Branch for onward submission to the Head Office of NABARD along with the interest subvention claim **(Annexure IV)**.

The Nodal branch shall arrange to remit the interest subvention as per the claim laid by the respective branches online for credit to the respective accounts.

17.	Utilization Certificate	<p>The concerned sugar mills / distilleries / entrepreneurs shall submit utilization certificate (Annexure-V) for the sanctioned loan amount within three months of the completion of the project, duly verified by the respective Sugar / Cane Commissioners, Excise Commissioner or any other authority designated by the State Government certifying that the loan amount has been utilized for the purpose specified in the scheme. The said authorities shall also monitor the utilization of the loan.</p> <p>Any failure to submit the utilization certificate shall lead to non-reimbursement of interest subvention by the Central Government.</p>
18.	Project Completion Certificate	<p>i. The concerned entrepreneur/ sugar mill / distilleries shall submit a certificate duly verified by Central Pollution Control Board certifying the zero-liquid discharge has been achieved through the method proposed at the time of submitting application for such purpose.</p> <p>ii. Sugar mills / distilleries/entrepreneurs availing loan to establish new distilleries or expansion of the existing distilleries, shall submit a 'Completion & Commencement Certificate' duly verified by the Excise Commissioner of the State concerned and a Chartered Engineer certifying respectively that the new distillery has been installed and has commenced production or the expansion of the existing distillery has been completed and enhanced production of ethanol has commenced.</p> <p>Any failure to submit such certificates shall lead to non-reimbursement of interest subvention by the Central Government.</p>
19.	Loan classification & Coding	<p>Priority Sector – As per RBI guidelines GL SUB HEAD : To be obtained Scheme code: i. Non EI (Equated Installment) : TLNET ii. EI (Equated Installment) : TLEET</p>

20. Operational Guidelines

- i. Purchase agreement executed between the OMCs and Projectproponents to be scrutinized and ensured that there is nothing against the interest of the bank.
- ii. To be ensured that the margin for term loan for ethanol project is brought by the borrower upfront and source of margin ensured.
- iii. Under no circumstances, the working capital limits sanctioned for manufacturing sugar shall be diverted for ethanol productions.
- iv. The ethanol manufactured should be sold to Oil Marketing Companies (OMC).
- v. A tri-partite agreement (TPA) among the producers of ethanol (project proponents), OMCs and the lending bank is to be signed.
- vi. In case of any exigencies or problems in supplies, because of which the revenue generation is lower than the amount of repayment of loans and interest, the sugar mill / distilleries / entrepreneur has to undertake to service the debt and interest from its other sources of income.
- vii. All environment clearances to be obtained before disbursement.
- viii. DSRA to the extent of three months' repayment (of principal + interest) is to be built up within one year of commencement of commercial production.
- ix. In case of Consortium / Multiple Banking Arrangement, participating banks will sanction loans under the scheme in the same proportion as their share in the existing working capital limits and remit the amount to the separate account to be opened with the lead bank / lender. The lead bank / lender will disburse the full amount of loan to the borrowing unit and obtain the utilization certificate on behalf of all the lenders.
- x. In case of Consortium / MBA, our terms of sanction /

		<p>disbursement shall not be inferior to those stipulated by other banks.</p> <p>xi. While assessing the viability of the project vis-à-vis repayment capacity, any government notification regarding tagging of ethanol prices shall be accounted for.</p> <p>xii. In the event of surplus cash flow with the sugar mills, accelerated payments may be decided and the interest subvention liability of DFPD towards loan account would accordingly get reduced.</p> <p>xiii. TEV study to be done as per bank's extant instructions.</p> <p>xiv. Check list of documents to be submitted by the applicant to the bank has been placed at Annexure-VI.</p> <p>xv. Bank forms to be submitted to DFPD and NABARD by the concerned bank branch are placed at Annexure VII.</p> <p>xvi. A copy of notification dated 14.01.2021 issued by Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, Government of India (GoI) is attached as per Annexure-VIII.</p>
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APPLICATION FROM THE SUGAR FACTORY/DISTILLERY / ENTERPRENEURS FOR FINANCIAL ASSISTANCE FOR ENHANCEMENT OF THEIR ETHANOL DISTILLATION CAPACITY OR TO SET UP DISTILLERIES FOR PRODUCING 1ST GENERATION (1G) ETHANOL FROM FEED STOCKS SUCH AS CEREALS (RICE, WHEAT, BARLEY, CORN & SORGHUM), SUGARCANE, SUGAR BEET ETC.

A. Brief details of the project proponents

1	(a) Name of the sugar factory/distillery/undertaking / society/ company/individual	
	(b) Complete address	
	(c) e-mail	
	(d) Mobile No.	
	(e) District	
	(f) State	
2	Short name & plant code of the sugar factory attached with distillery	
3	Date of commencement of ethanol production of the sugar mill/existing distillery (if any)	
4	(a) Production capacity of alcohol of the existing distillery	
	(b) Production capacity of ethanol of the existing distillery, if any	
	(c) Number of operating days/annum of existing distillery	
5	Status of SDF dues, if any (in case of sugar factory)	

B. Information relating to proposal for setting-up of new distillery/expansion of existing distillery/ installation Molecular Sieve Dehydration (MSDH) column

1	Proposal submitted for (specify the category under which application is submitted; refer Para 1 of the notification)	
2	Capacity of the proposed new distillery in KLPD	
3	Proposed expansion capacity for expansion of existing distillery in case of expansion project (fromKLPD toKLPD)	
4	Whether the new distillery / expansion of the existing distillery is proposed to be installed with zero liquid discharge system?	Yes / No
5	Financial assistance requested for new distillery / expansion of the existing distillery project including basic price and applicable taxes etc.	
6	Name of the lending bank/branch.	
7	Whether SDF assistance has been availed for similar project in case of sugar mills?	Yes / No
8	Proposed days of operation on setting up of new distillery / expansion of the existing distillery/ installation of Molecular Sieve Dehydration (MSDH) column.	
9	Proposed date of completion of new plant / expansion of existing plant/ installation of Molecular Sieve Dehydration (MSDH) column.	DD/Month/year
10	Expected date of commencement of ethanol production for the proposed new distillery or expanded distillery as the case may be.	DD/Month/Year
11	Whether proposed new distillery / plants and machineries for expansion of the existing distillery are procured from indigenous source (if not, reasons for the same)?	Yes / No

Signature.....
 (Name)
 Seal / Stamp

TRIPARTITE AGREEMENT

Dated _____

AMONG

(Project Proponent)

AND

PUNJAB AND SIND BANK

(the Escrow Agent)

AND

(Oil Marketing Company)

TRIPARTITE AGREEMENT

THIS AGREEMENT (this “**Agreement**”), is executed and entered into as of _____
(the “**Agreement Date**”) at....., by and among:

1. _____, a company duly incorporated and validly existing under the laws of India with Corporate Identification Number and having its registered office at _____ (hereinafter referred to as the “**Project Proponent**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns);
2. **Punjab & Sind Bank**, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act 1980 having its registered office at ‘**Bank House**’, **21 Rajendra Place, New Delhi – 110008** acting through its **Large Corporate Branch**, Delhi (hereinafter referred to as the “**Escrow Agent/PSB**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns); and
3. _____, a company duly incorporated and validly existing under the Laws of India with corporate identification Number _____ and having its registered office at _____, (hereinafter referred to as the “**Oil Marketing Company/OMC**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns); and

[The **Project Proponent**, the **Escrow Agent** and the **Oil Marketing Company** are hereinafter collectively referred to as the “**Parties**” and individually as the “**Party**”]

WHEREAS:

1. The Project Proponent has availed credit facilities (hereinafter called “**the Facility**”) from Punjab & Sind Bank under the interest subvention scheme of Government of India pursuant to arrangement letter financing and security agreements executed by the Project Proponents in favour of Punjab & Sind Bank. The details of the Facility, the arrangement letter and the financing and security agreements are given in **Schedule** hereunder.
2. The OMC has entered into a Purchase Agreement dated.....(as defined hereunder)

whereunder the OMC has agreed to purchase Ethanol or other item from the Project Proponent for such volume and at such rates as stated in the Purchase Agreement. The Project Proponent has represented that the Purchase Price (as defined hereunder) at least exceeds the Instalment and Interest of the Facility under the Facility Agreement (as defined hereunder)

3. In order to ensure due repayment of the Facility together with interest and all other amounts due and payable by the Project Proponent to Punjab & Sind Bank in respect of the Facility, the Project Proponent and the OMC have agreed that the entire payments made in respect of the Ethanol purchased by the OMC from the Project Proponent shall be remitted to an Escrow Account to be opened with the Account Bank i.e. PSB and that PSB shall withdraw the amount of Debt Payment Amounts (as hereinafter defined) in priority to allowing all other payments to the Project Proponent in the manner and as per terms and conditions contained hereunder:

NOW THEREFORE, in furtherance of the transaction contemplated hereby and in consideration of the mutual covenants of the parties hereto set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. INTERPRETATIONS

1.1 Definitions

Unless the context indicates a contrary intention all capitalized terms used herein that are not otherwise defined elsewhere in this Agreement shall have the respective meanings ascribed hereunder:

Authorised Representative in relation to a Party means the person who is duly authorised to act on behalf of the relevant Party.

“Project proponent” means Sugar Mills/Distilleries/Entrepreneurs availing financial assistance from the Bank for setting up new distilleries/expansion of distilleries to produce ethanol under the government “scheme for extending financial assistance to project proponents for enhancement of ethanol distillation capacity or set up distilleries for products of 1st generation ethanol from feed stocks such as cereals, sugarcane, sugar beet etc”.

Business Day means a day on which commercial banks including, but not limited to the Escrow Agent are open for normal business in New Delhi.

Debt Payment Amount means the Interest and the Instalment that is due each month from the Project Proponent to PSB under the Facility Agreement.

Due Date(s) shall mean, in respect of

- (a) each Instalments, the Instalment Payment Dates;
- (b) Interest, the Interest Payment Dates;

Escrow Account has the meaning set out to such term in Clause 3.1 hereof.

Escrow Amount means the money lying to the credit of the Escrow Account for the time being and from time to time.

Facility means the term loan facility described in detail in the Schedule hereto.

Facility Account means the term loan account maintained by the Project Proponent with PSB in respect of the Facility.

Facility Agreement shall mean the Facility Agreement dated < *put date* > executed by the Project Proponent in favour of PSB for availing the Facility as detained in Schedule hereunder.

Final Settlement Date shall mean the date on which the entire dues payable by the Project Proponent to PSB under the Facility Agreement have been paid, discharged or performed in full to the satisfaction of PSB and there are no sums which are owed, even contingently, to PSB by the Project Proponent as evidenced by a no dues certificate being issued by PSB.

Interest means the amount of monthly interest payable by the Project Proponent to PSB under the Facility Agreement subject to adjustment of subvention (if any) from the Government of India under the Interest Subvention Scheme.

Instalment means the amount of monthly / quarterly instalment (as the case may be) of the Facility in terms of repayment schedule in the Facility Agreement.

Interest Payment Date shall mean the first day of each calendar month occurring after the initial disbursement date until the Final Settlement Date.

Instalment Payment Date means the last day of the month for which the interest is due.

Party means any party to this Agreement.

Purchase Agreement means agreement dated entered into between the Project Proponent and the OMC where under the OMC has agreed to purchase from the Project Proponent, ethanol or other item agreed to between the Project Proponent and OMC against payment of Purchase Price.

Purchase Price means all amounts payable by OMC to the Project Proponent under the Purchase Agreement for supply of ethanol by the Project Proponent to OMC from time to time during the subsistence of the Purchase Agreement.

2. **Appointment of Escrow Agent.**

The Project Proponent and the OMC jointly designate Punjab & Sind Bank as described in the description of Parties as the escrow agent (the “**Escrow Agent**”) for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment and agrees to accept, hold and disburse the Escrow Amount in accordance with the terms hereof. All references to the “**Escrow Agent**,” as that term is used herein, shall refer to the Escrow Agent solely in its capacity as such, and not in any other capacity whatsoever, whether as individual, agent, fiduciary, trustee or otherwise.

3. **Establishment and Maintenance of Escrow Account**

3.1 The Escrow Agent confirms that it has opened the escrow account, the details of which are set out below (the “**Escrow Account**”), in the name of the Project Proponent and OMC on the terms of this Agreement.

<Name of Project Proponent> Escrow Account, having Account Number *<put escrow account no.>* denominated in INR.

3.2 The Escrow Agent holds all money forming part of the Escrow Amount as banker subject to the terms of this Agreement, and as a result such money will not be held in accordance with the fixed deposit account rules in Punjab & Sind Bank (“**PSB**”).

3.3 The Parties undertake to provide to the Escrow Agent all documentation and other information required by the Escrow agent from time to time to comply with all applicable regulations in relation to the Escrow Account forth with upon request by the Escrow Agent.

4. Deposit of Escrow Amount

- 4.1 The Project Proponent will raise an invoice on the OMC after dispatch of ethanol as soon as time is due for raising of invoice to OMC and ensure that OMC remits the entire Purchase Price for dispatch of ethanol by Project Proponent to OMC in the Escrow Account within such period as stipulated in the Purchase Agreement by means of NEFT/RTGS etc.
- 4.2 OMC shall ensure that the entire Purchase Price shall be remitted / credited to the Escrow Account without any deduction or rebate and that till the Final Settlement Date no amount shall be paid by OMC directly to the Project Proponent under the Purchase Agreement. Provided however, the obligation of the OMC under this clause shall be limited to the obligation of the OMC under the Purchase Agreement for payment of Purchase Price.
- 4.3 Project Proponent hereby authorises OMC to remit the entire Purchase Price to the Escrow Account and such payment by OMC to the Escrow Account shall be construed as due discharge by OMC of its obligation for payment of price of ethanol to the Project Proponent under the Purchase Agreement for the amount of ethanol supplied by the Project Proponent to the OMC as per invoice raised by the Project Proponent on the OMC.
- 4.4 All amounts deposited as per clause 4.1, 4.2 and 4.3 hereinabove and held in the Escrow Account and credited to the Escrow Account from time to time shall be deemed to form part of the Escrow Amount.
- 4.4 The Escrow Amount lying to the credit of the Escrow Account will not bear any interest, unless the Escrow Amount is kept deposited, at the request of the Project Proponent, as term deposits of PSB for such time as may be required. However, the amount equivalent to Debt Payment Amount shall not be liable for being kept in term deposit.
- 4.5 The Project Proponent as well as the OMC agree that the Escrow Agent has no responsibility whatsoever to ensure that the OMC deposits the Purchase Price to the Escrow Account.

5. Withdrawal from Escrow Account

5.1 The Project Proponent authorises the Escrow Agent that from the Escrow Amount an amount equivalent to _____ month's Debt Payment Amount shall be held back by the Escrow Agent and that on each Due Date the Escrow Agent shall withdraw the Debt Payment Amount so held back and shall credit to the Facility Account towards payment of Interest and Instalment of the Facility.

5.2 The Project Proponent shall be allowed by the Escrow Agent to withdraw from the Escrow Account the balance remaining in the Escrow Account after compliance of the stipulation of clause 5.1 above. However, if the Escrow Amount falls short of the Debt Payment Amount for the next Due Date, the Project Proponent shall not be entitled to withdraw any amount from the Escrow Account till such time as the balance in the Escrow Account exceeds the Debt Payment Amount and such withdrawal by the Project Proponent shall be limited to the balance in the Escrow Amount which is in excess of _____ month's Debt Payment Amount.

6. Tax Matters.

The Project Proponent and the OMC agree that, for Tax reporting purposes, all taxable interest on or other income, if any, attributable to the Escrow Amount shall be allocable to the Project Proponent. All income earned from the cash and investments of the Escrow Amounts held in the Escrow Accounts shall be taxable to the Project Proponent and shall be reportable by the Escrow Agent to the income tax or any other taxing authority, whether or not such income has been distributed during such year. The Escrow Agent shall have no responsibility for the preparation and/or filing of any tax or information return with respect to any transactions, whether or not related to this Agreement that occur outside the Escrow Amount.

7. Rights, Obligations and Indemnification of the Escrow Agent.

7.1 In performing any of its duties under this Agreement, or upon the claimed failure to perform its duties hereunder, the Escrow Agent shall not be liable to anyone for any damages, losses, or expenses that such party may incur as a result of the Escrow Agent so acting or failing to act (save except for damages arising out of its own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction). Accordingly, the Escrow Agent shall not incur any such liability with respect to: (i) any action taken or omitted to be taken

in good faith and without gross negligence or willful misconduct; or (ii) any action taken or omitted to be taken in reliance (including reliance not only as to a document's due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein) upon any document, including any written notice, request or instruction provided for in this Agreement, that the Escrow Agent shall in good faith and with exercise of due care believe to be genuine without inquiry and without requiring substantiating evidence of any kind, to have been signed or presented by a proper Person or Persons and to conform with the provisions of this Agreement.

7.2 The Project Proponent hereby agrees to indemnify and hold the Escrow Agent and its directors, officers, agents and employees (collectively, the "**Escrow Agent Indemnitees**") harmless from and against any and all claims, liabilities, losses, damages, fines, penalties and expenses, including out-of-pocket, incidental expenses and reasonable legal fees and expenses ("**Escrow Agent Losses**") that may be imposed on, incurred by, or asserted against, the Escrow Agent Indemnitees or any of them in connection with or arising out of (i) the Escrow Agent's performance under this Agreement; provided that the Escrow Agent has acted in good faith and without gross negligence or willful misconduct. The provisions of this Clause 7.2 shall survive the termination of this Agreement.

8. Non absolve of Project Proponent

The Project Proponent agrees that the authority granted to the Escrow Agent under clause 5.1 of this Agreement for withdrawal of Debt Payment Amount for credit to Facility Account on each Due Date shall not absolve the Project Proponent from its obligation for payment of any or all amounts due by the Project Proponent to PSB under the Facility Agreement and that in case of inability of the Escrow Agent for any reason including but not limited to insufficiency of balance in the Escrow Account or if any part of the Escrow Amount is at any time attached, garnished or levied upon under any court order, or operation of the Escrow Account is stayed or enjoined by any court order, or any order, judgment or decree shall be made or entered by any court affecting the Escrow Account, then in any of such events, the Escrow Agent shall provide the Project Proponent and the OMC with prompt written notice of any such events and the Project Proponent shall forthwith arrange for payment of Interest and Instalment of the Facility in terms of the Facility Agreement.

9. Fees.

The Project Proponent shall be liable for the payment of the fees and expenses of the Escrow Agent for so long as any portion of the Escrow Amount is held by the Escrow Agent hereunder. The amount of such fees shall be agreed upon between the Project Proponent and the Escrow Agent at the time of execution of this Agreement and such amount shall be construed as fees for the purpose of this clause 9. The Escrow Agent shall have, and is hereby granted, a priorlien upon the Escrow Amount with respect to its unpaid fees, non-reimbursed expenses.

10. Notices and Instructions.

Any notices, account statements, consents or other communication required to be sent or given hereunder by any of the parties hereto shall in every case be in writing and be sent or given to each party to this Agreement, and shall be deemed properly served if (a) delivered personally, (b) sent through official mail, (c) delivered by a recognized overnight courier service, or (d) sent by facsimile transmission with a confirmation copy sent by overnight courier, in each case, to the parties at the addresses and facsimile numbers as may be furnished in writing by each Party to the other.

11. Governing Law and Jurisdiction.

This Agreement and the rights and obligations of the parties hereto hereunder shall be governed in all respects, including validity, interpretation and effect, by the laws of India. The jurisdiction of the courts shall be in New Delhi.

12. Amendment and Waiver

This Agreement may be amended, or any provision of this Agreement may be waived, provided that any such amendment or waiver will be binding on a party hereto only if such amendment or waiver is set forth in a written instrument executed by all the Parties hereto.

13. Termination.

This Agreement shall continue till the Final Settlement Date and OMC shall be discharged of its obligation under clause 4.2 of this Agreement upon receipt of an intimation from PSB that the OMC stands discharged of its obligation under said clause 4.2.

14. Assignment of Interests.

No assignment of the interest of any of the Parties hereto shall be binding upon the Escrow Agent unless and until written notice of such assignment shall be filed with and acknowledged by the Escrow Agent.

15. Non liability of OMC

PSB shall have no recourse against OMC and OMC shall not be liable to any Party for default by the Project Proponent of its obligation of repayment of dues under the Facility Agreement or for any other breach thereof and the obligation of the OMC shall be limited to deposit of the Purchase Price in the Escrow Account as per terms of this Agreement.

16. Amicable Resolution

If any dispute or difference arises out of or in connection with the interpretation or implementation of this Escrow Agreement or out of or in connection with the breach or alleged breach of this Escrow Agreement (“Dispute”) arises among the Parties, they shall use all reasonable endeavours to resolve the matter amicably within 7 (seven) days from the date any Party to this agreement raised the Dispute in writing.

17. Confidentiality

The Escrow Agent shall keep confidential all information furnished to it by or on behalf of the Parties; provided, that the Escrow Agent may disclose such information (i) to its attorneys and auditors to the extent they have a bona fide need for such information, (ii) to regulatory authorities charged with the supervision and examination of the Escrow Account, (iii) that was in the public domain at the time of the Escrow Agent’s disclosure, (iv) that subsequently comes into the public domain through no fault of the Escrow Agent, (v) that is disclosed to the Escrow Agent by a third party who is under no obligation to any other party to keep such information confidential, (vi) to enable it to comply with any of the laws of India, or an order or request of any court of law or any authority, (vii) in connection with the defence of any litigation or transactions to the extent necessary, (viii) to the Parties in connection with the performance of its obligations under this Escrow Agreement, (ix) in connection with the enforcement of the rights and remedies of the Parties under this Escrow Agreement, to the extent necessary, and (x) with the prior permission of the Parties, upon request by them.

18. Severability

If one or more of the provisions in this Agreement is deemed void by law, then the remaining provisions will continue in full force and effect.

19. Costs and Expenses

All costs and expenses including stamp duty in relation to this Escrow Agreement shall be borne and paid by Project Proponent/OMC.

SCHEDULE

<state the details of the Facility>

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first written above by the duly Authorised Representatives of Parties as stated hereunder.

**For and on behalf of
Project Proponent**

By:

Name:

Title:

ESCROW AGENT:

**For and on behalf of:
PUNJAB & SIND BANK**

By:

Name:

Title:

**For and on behalf of :
OMC**

By:

Name:

Title:

(CA CERTIFICATE FORMAT)

CERTIFICATE OF CORRECTNESS OF INTEREST SUBVENTION CLAIMS FROM THE INDEPENDENT CHARTERED ACCOUNTANT ENGAGED BY THE BANK

(To be furnished with each quarterly claim of the branch)

Reference No.

I / We(Name of Chartered Accountant / Firm of Chartered Accountants) have verified the interest subvention claim of (Name of the branch) of(Name of the bank) under the Scheme for extending financing assistance to Sugar Mill/ Distilleries/entrepreneurs for Enhancement of Ethanol Production Capacity for the quarter ended..... has been checked and found correct in respect of the following sugar factories.

Name of the Units	Loan A/c	Amount of interest claimed.
1.
2.
3.
4.
	Total

Signature.....

Membership No.....

Name of Chartered Accountant.....

(Affix Seal)

Place:

Date:

Utilization certificate to be submitted by the Sugar Mills/distilleries/ entrepreneurs duly verified by the concerned Sugar/Cane Commissioner, Excise Commissioner or any other authority designated by the State Government

Name of Sugar Mill/ Entrepreneur / Distilleries & Address.....

Plant Code.....

This is to certify that an amount of Rs.....(Rupees) disbursed in the A/c No.maintained by (Bank Name with Branch Name)..... on (Date).....towards the loan raised by the Sugar mill / Distilleries / Entrepreneur for purchase of machinery / setting up of plant under the scheme for extending financial assistance for enhancement of their ethanol distillation capacity or to set up distilleries for producing 1st Generation (1G) ethanol from feed stock such as cereals (rice, wheat, barley, corn & sorghum), sugarcane, sugar beet etc.

Authorized signatory of the Sugar Mill /

Distilleries / entrepreneurs

Statutory auditor of the factory

Name-

Name-

Designation-

Designation-

Date:

Date:

Place:

Place:

Commissioner of Sugar / Cane, Excise Commissioner or any other authority designated by the State Government

Date:

Place:

Financing Ethanol projects under Ethanol Blended Petrol (EBP) Programme
Check-list of Documents to be submitted by the Applicant to the Bank

Sr. No.	List of Documents
A. <u>Pre-Sanction:</u>	
1	Request letter for Bank Loan on Letterhead of the Applicant unit
2	Application Format of the Bank duly filled in and signed by Authorized Signatory along with Detailed Project Report (DPR) enclosed.
3	Copy of Board Resolution (Companies) for applying loan to the Bank
4	Copy of Application-cum-Proposal submitted to Department of Food & Public Distribution (DFPD) for Subsidy
5	Copy of In-principle approval received from DFPD.
6	Copy of Certificate of Incorporation, Memorandum & Article of Association/ Partnership Deed/ TrustDeed/ Byelaws of Society, etc.
7	PAN, VAT / GST Registration Certificate, Trade Licence, ISO Certificate, DIC Registration Certificate, MSME Udyam Registration Certificate
8	<p>Detailed Project Report (DPR) covering the following aspects:</p> <ul style="list-style-type: none"> • Cost of Project & Means of Finance • Promoters background & experience • Technology (Details of Plant & Machinery required & Supplier) • Raw material supply arrangements • Land, Building, Civil works, Power, Water, other infrastructure required & arrangements made for the same • Marketing arrangement • Projected Profit & Loss, Balance sheets, Cash flows for the period till the repayment of proposed loan long with key financial ratios like DSCR, IRR, etc. • Basis of assumption of projected financial details. • Details/sources of promoters' contribution, • Evidence of investments made so far (CA certificate) • Project Implementation Schedule (explicit mention of DCCO) • Term Loan Draw-down Schedule. • Supporting quotations / estimates for the Project components • Statutory Approvals required and current status of the same. • Copies of Agreement with Machinery suppliers • Conversion of Agricultural land into Non-Agricultural purpose
9	<p>Certificate / Licenses / Statutory Approvals:</p> <ul style="list-style-type: none"> • FSSAI Clearance (wherever unit is planning production of ENA) • Copy of approved map of factory • Building Plan approval • Factory License • NOC from Local Panchayath

	<ul style="list-style-type: none"> • NOC from Fire department • Consent for Establishment from Pollution Control Board • Consent for Operations from Pollution Control Board • Central Pollution Control Certificate (Zero Liquid Discharge) • Working Drawing and specification by State Excise Department and DC/DM • Electrical Safety approval • Boiler approval from Inspector to the Govt • Water Drawal Approval • PESO (Petroleum & Explosives Safety Organization) clearance • Excise License (PD-33) • Industrial Entrepreneurs Memorandum • For Co-operative factories - Sugar Commissioners Administrative & Financial approval. • Cane area allotment Letter in case of sugar cane juice based Ethanol project or availability of grains in case of grain based Ethanol project. • Sugarcane crushing licence issued by concerned Authority • Permission to purchase land in the name of of Company u/s 109(1) of Land Reforms Act.
10	Complete set of Audited financials along with Tax Audit Report for the last 3 years, Provisional Balance sheet if last audited balance sheet is older than 6 months.
11	CMA data duly signed by the Authorised Signatory.
12	Copy of Sanction letters of all the banks from where, credit facilities have been availed by the Company. (existing units)
13	Details of associates, brief profile of the associates, their banking arrangement & financials of the associates for the last 3 years.
14	Copy of Sanction letter of loans by associate and group Companies availed from banking and financial institutions.
15	IT returns for the last 3 years. Acknowledged copy of ITR must also be furnished.
16	GSTN / VAT return for the last 3 years (existing units)
17	Proof of Identity of Proprietor, Partner, Director (if a Company): Voter's ID Card / Passport / Driving License / PAN Card / Aadhar / with Signature identification by present bankers
18	Proof of Residence of Proprietor, Partner, Director (if a Company): Recent telephone bills, electricity bill, property tax receipt /Passport / voter's ID Card of Proprietor, partner of Director (if a company)
19	Proof of Business Address
20	Notarised Assets and liabilities statement of promoters and guarantors

	along with latest income tax returns
21	Details of shareholding pattern.
22	Copies of lease deeds / title deeds of all the properties being offered as primary and collateral securities.
23	Loan account statement (for last 24 months), if any (in the name of Borrower unit/proprietor/ partners/ directors)
24	Satisfactory Opinion Report on the Borrower unit (to be obtained by Bank directly)
25	Satisfactory Legal scrutiny report from Panel Advocate of the Bank for the Primary / Collateral securities
26	Valuation Report of collateral properties by Bank's panel valuer (1 or 2 valuation reports as applicable as per Bank guidelines)
27	Details of Land records which are in the name of Company
28	In case of existing Loan of other Banks / FIs - Status as to Sanction Date, Sanction Amount, Mortgage Security, Type of Charge (First/Second/Subservient etc.) Overdue Date, Overdue Amount.
29	NOC from existing Banks / FIs for creation of first Pari-pasu charge in favour of the Bank, from whom credit limits are sought.
30	Ageing of Debtors & Creditors - less than 6 months & more than 6 months, Bad Debts, litigation details etc.,
31	CIBIL Reports of Borrower/ Directors / Partners (to be obtained by Bank directly)
32	Borrowing Capacity of the Borrower (Applicant)
33	CA certified Net Worth, NDR, DSCR, FACR of the Borrower / Directors / Partners and Associate / Group Companies
34	Borrower's letter that they are capable of raising own contribution in the project.
35	Borrower / its Directors / Partners "Affidavit cum undertaking that no legal action taken against it / them in the nature financial fraud or cheating by Central Government/ State Government or any other person".
36	In case of existing Loan of other Banks / FIs - Status as to Sanction Date, Sanction Amount, Mortgage Security, Type of Charge (First/Second/Subservient etc.), Overdue Date, Overdue Amount.
<u>B. Pre-Disbursement:</u>	
37	A Tri-partite agreement (TPA) among the producers of ethanol (project proponents), OMCs and the lending bank is to be signed, as per the format in SOP.

38	Purchase agreement between Oil Marketing Companies (OMCs) and Sugar Mill / Distillery
39	Environmental Clearance Certificate
<i>C. Post-Disbursement:</i>	
40	Utilization Certificate duly verified by the respective Sugar / Cane Commissioners, Excise Commissioner certifying that the loan amount has been utilized for the purpose specified in the Scheme.
41	Completion & Commencement Certificate' duly verified by the Excise Commissioner of the State concerned and a Chartered Engineer.

Bank Form-I

"Scheme for extending financial assistance to project proponents for enhancement of their ethanol distillation capacity or to set up distilleries for producing 1st Generation (1G) ethanol from feed stocks such as cereals (rice, wheat, barley, corn & sorghum), sugarcane, sugar beet, etc."

(To be submitted to DFPD* and NABARD by concerned bank branch, through its Controlling Office immediately after each disbursement)

(Amount in Rs. Lakhs)

Individual Loan Account details			
Name of Bank, Branch and Code			
Name of Sugar mill/distilleries/entrepreneurs with plant code			
Date on which DFPD has accorded in-principle approval			
Amount of DFPD's in-principle approval			
Date of sanction of Term Loan			
Term Loan Account No.			
Amount of sanctioned loan			
Interest rate contracted			
Disbursements			
Date	Amount	Cumulative Disbursement	O/s loan amount
Repayment Schedule			

* **Chief Director (Sugar)**, Directorate of Sugar and Vegetable Oils, Department of Food and Public Distribution, Krishi Bhawan, New Delhi 110001 [Tele : 011-23383760; Fax : 011-23382373; Email : ddcost.fpd@nic.in]

\$The Chief General Manager, Department of Refinance, NABARD, Head Office, Plot No. C-24, 'G' Block, Bandra-Kurla Complex, Bandra (E), Head Office, Mumbai-400 051. {Tel. 022-26524926; email: dor@nabard.org, dorsugar@nabard.org}



Undertaking/Certificate

Certified that:

- (a) The term loan has been sanctioned after due vetting of the proposal submitted by the Sugar mill/distilleries/ entrepreneurs, taking into account the installation of new incineration boilers/new distilleries and the capacity proposed to be created as approved by DFPD.
- (b) The loan amount was disbursed within one year from the date of in principle approval of DFPD.
- (c) The disbursement of the loan was made in a separate project specific loan account.
- (d) While communicating the sanction the Sugar mill/distilleries/ entrepreneurs has been advised that utilisation Certificate as specified in the guidelines of the scheme would be submitted within three months of completion of the project.
- (e) While communicating the sanction the Sugar mill/distilleries/ entrepreneurs has been advised to comply with all the terms and conditions of the scheme of Government of India for capacity addition/ up-gradation in ethanol production.
- (f) Interest subvention Payable has been calculated on outstanding amount reckoning the actual date of repayment or prescribed date of payment whichever is earlier.
- (g) The loan account of the Sugar mill/distilleries/ entrepreneurs is standard.

(Signature of the Branch
Manager)

Date.....

Name.....

Place.....

Designation.....

Ph. No.....

Email-Id.....

(Affix Official Stamp)



Bank Form-II

"Scheme for extending financial assistance to project proponents for enhancement of their ethanol distillation capacity or to set up distilleries for producing 1st Generation (1G) ethanol from feed stocks such as cereals (rice, wheat, barley, corn & sorghum), sugarcane, sugar beet, etc."

(To be submitted by Branch of lending banks through its controlling office to NABARD* by 14 July, 14 October, 14 January and 14 April for quarters ended June, September, December and March)

Interest Subvention claim for the quarter ended-.....

(Lending Bank)

(Amount in Rs.)

Name and Branch of the lending Bank							
Loan Account details						Interest	
Sr. No.	Name & Code of lending Branch	Name of the Sugar Factory	Loan Account No.	Loan Sanctioned	Loan disbursed	Rate of Interest (d)	Amount of Interest Claim

* the Chief General Manager, Department of Refinance, NABARD, Head Office, Plot No.C-24, 'G' Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 {Tel. 022-26524926; Fax: 022-26530090; e mail: dor@nabard.org}

Certified that:

1) The loan amount has been utilized for the purpose as specified in the guidelines of the Scheme.

2) No interest has been claimed for the accounts which have gone into default and interest amount claimed as advance for the accounts, which have subsequently gone into default, has been adjusted (by the way of refund) in the present claim submitted.

(Signature of the Branch Officer)

Date

Name.....

Place

Designation

Ph No.....

Fax.....

Email -Id

(Affix Official Stamp)

Ends. 1. Certificate Issued by Chartered Accountant

2. Calculation sheet in excel format



Bank Form III

(CA CERTIFICATE FORMAT)

**CERTIFICATE OF CORRECTNESS OF INTEREST SUBVENTION CLAIMS
FROM THE INDEPENDENT CHARTERED ACCOUNTANT ENGAGED BY
THE BANK**

(To be furnished with each quarterly claim of the branch)

Reference No.

I / We(Name of Chartered Accountant / Firm of Chartered Accountants) have verified the interest subvention claim of.....
(Name of the branch) of(Name of the bank) under the Scheme for extending financing assistance to Sugar Mill/ Distilleries/entrepreneurs for Enhancement of Ethanol Production Capacity for the quarter ended..... has been checked and found correct in respect of the following sugar factories.

Sr.No.	Name of the Units	Loan A/c	Amount of interest claimed.
Total			

Signature.....

Membership No.....

Name of Chartered Accountant.....

(Affix Seal)

Place:

Date:





भारत का राजपत्र The Gazette of India

सी.जी.-डी.एल.-अ.-14012021-224409
CG-DL-E-14012021-224409

असाधारण
EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (ii)
PART II—Section 3—Sub-section (ii)

प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं. 128]

नई दिल्ली, बृहस्पतिवार, जनवरी 14, 2021/पौष 24, 1942

No. 128]

NEW DELHI, THURSDAY, JANUARY 14, 2021/PAUSHA 24, 1942

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्रालय
(खाद्य और सार्वजनिक वितरण विभाग)

अधिसूचना

नई दिल्ली, 14 जनवरी, 2021

का. आ.148(अ).— केंद्रीय सरकार ने इथेनोल का उत्पादन बढ़ाने और पेट्रोल के साथ इथेनोल ब्लेंडिंग (ईबीपी) कार्यक्रम के अधीन विशेष रूप से अधिशेष वाले मौसम में इसकी आपूर्ति बढ़ाने और इससे चीनी मिलों की नकदी की स्थिति में सुधार करने, ताकि उन्हें किसानों के गन्ना मूल्य बकाया का भुगतान करने में सक्षम बनाया जा सके, की दृष्टि से दिनांक 19.07.2018 की अधिसूचना सं. का. आ. 3523 (अ) द्वारा एक स्कीम अर्थात् – 'इथेनोल उत्पादन क्षमता बढ़ाने और उसमें वृद्धि करने के लिए चीनी मिलों को वित्तीय सहायता प्रदान करने संबंधी स्कीम' अधिसूचित की थी, जिसमें तत्पश्चात् दिनांक 09.08.2018, 11.10.2018, 04.01.2019, 14.11.2019 और 20.05.2020 की अधिसूचना सं. क्रमशः का.आ. 3952 (अ), का.आ. 5219 (अ), का.आ. 47 (अ), का.आ.4104 (अ) और का.आ.1523(अ) द्वारा संशोधन किया गया था। इसके बाद "इथेनोल उत्पादन क्षमता बढ़ाने और उसमें वृद्धि करने के लिए चीनी मिलों और शीरा आधारित स्टैंडअलोन डिस्टीलरियों को वित्तीय सहायता प्रदान करने की स्कीम" दिनांक 08.03.2019 को का.आ.1227 (अ) और का.आ. 1228 (अ) द्वारा अधिसूचित की गई थी। इसके अलावा दिनांक 15.09.2020 को अधिसूचना सं. का.आ. 3135 (अ) और का. आ. 3136 (अ) के द्वारा 30 दिनों के लिए एक छोटी विंडो खोली गई थी, जिसमें शीरा आधारित स्टैंडअलोन डिस्टीलरियों और चीनी मिलों से इस स्कीम के तहत आवेदन आमंत्रित किए गए थे।

अब केन्द्रीय सरकार एतद्वारा निम्नलिखित संशोधित स्कीम अर्थात् “अनाज (चावल, गेहूं, जौ, मक्का और सोरघम), गन्ना, चुकंदर आदि जैसे फीड स्टॉक से फ़र्स्ट जनरेशन (1जी) इथेनोल उत्पादन के लिए अपनी इथेनोल डिस्टिलेशन क्षमता बढ़ाने अथवा डिस्टिलरियों की स्थापना करने हेतु परियोजना प्रस्तावकों के लिए वित्तीय सहायता देने संबंधी स्कीम” अधिसूचित करती है।

(1) पात्रता

इस स्कीम के तहत सहायता उद्यमियों के लिए निम्नलिखित हेतु उपलब्ध होगी:

(i) इथेनोल उत्पादन के लिए अनाज आधारित डिस्टिलरियों की स्थापना/अनाज आधारित मौजूदा डिस्टिलरियों का विस्तार करना। तथापि, ब्याज छूट स्कीम का लाभ केवल उन डिस्टिलरियों को दिया जाए जो ड्राई मिलिंग प्रक्रिया का उपयोग कर रही हैं अथवा करेंगी।

(ii) इथेनोल उत्पादन के लिए शीरा आधारित नई डिस्टिलरियां स्थापित करना/मौजूदा डिस्टिलरियों का विस्तार (चाहे वे चीनी मिलों से जुड़ी हों अथवा स्टैंडअलोन डिस्टिलरियां हों) और ज़ीरो लिक्विड डिस्चार्ज (ज़ेडएलडी) प्राप्त करने के लिए केन्द्रीय प्रदूषण नियंत्रण बोर्ड द्वारा अनुमोदित किसी पद्धति की स्थापना करना।

(iii) नई दोहरी फीड डिस्टिलरियां स्थापित करना अथवा मौजूदा दोहरी फीड डिस्टिलरियों की क्षमता का विस्तार करना।

(iv) शीरा आधारित मौजूदा डिस्टिलरियों (चाहे वे चीनी मिलों से जुड़ी हों अथवा स्टैंडअलोन डिस्टिलरियां हों) को दोहरी फीड (1-जी इथेनोल का उत्पादन करने के लिए शीरा और अनाज अथवा कोई अन्य फीड स्टॉक); और अनाज आधारित डिस्टिलरियों को दोहरी फीड डिस्टिलरियों में परिवर्तित करना।

(v) चुकंदर, सोरगम अनाज आदि जैसे अन्य फीड स्टॉक से 1-जी इथेनोल का उत्पादन करने वाली, नई डिस्टिलरियां स्थापित करना/मौजूदा डिस्टिलरियों का विस्तार करना।

(vi) मौजूदा डिस्टिलरियों में रेक्टिफाइड स्पिरिट को इथेनॉल में परिवर्तित करने के लिए मालिक्युलर सीव डिहाइड्रेशन कालम की संस्थापना।

(2) स्कीम के अधीन सहायता

(i) बैंकों/राष्ट्रीय सहकारी विकास निगम (एनसीडीसी) /भारतीय नवीकरणीय ऊर्जा विकास अभिकरण लिमिटेड (आईआरईडीए)/ नॉन-बैंकिंग वित्तीय कंपनियों (एनबीएफसी) /कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, द्वारा दिए गए ऋण पर 6 प्रतिशत प्रति वर्ष की दर से अथवा बैंकों/राष्ट्रीय सहकारी विकास निगम/भारतीय नवीकरणीय ऊर्जा विकास अभिकरण लिमिटेड/नॉन-बैंकिंग वित्तीय कंपनियों/ कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, द्वारा लिए जाने वाले ब्याज पर ब्याज दर के 50 प्रतिशत की ब्याज छूट, जो भी कम हो, केन्द्रीय सरकार द्वारा परियोजना प्रस्तावकों द्वारा लिए गए ऋण के प्रति एक वर्ष की स्थगन अवधि शामिल करते हुए पांच वर्षों के लिए वहन की जाएगी।

(ii) इस स्कीम के तहत ब्याज छूट प्रस्तावित क्षमता पर आधारित प्रत्येक परियोजना के संबंध में अनुमोदित और वितरित ऋण की राशि पर प्रदान की जाएगी, जो खाद्य और सार्वजनिक वितरण विभाग द्वारा दिये गए सैद्धांतिक अनुमोदन तक सीमित होगी।

(iii) ब्याज छूट केवल उन्हीं डिस्टिलरियों के लिए उपलब्ध होगी जो बढ़ाई गई डिस्टिलेशन क्षमता से उत्पादित कम से कम 75% की आपूर्ति पेट्रोल के साथ ब्लैंडिंग के लिए ओएमसी को करेंगे।

(iv) यह सहायता उन चीनी मिलों और डिस्टिलरियों के लिए उपलब्ध नहीं होगी जिन्होंने उसी परियोजना के लिए केन्द्रीय सरकार की किसी दूसरी स्कीम के तहत लाभ उठाया हो।

(v) अनाज आधारित डिस्टिलरियों के मामले में ब्याज छूट तभी लागू होगा जब वे ड्राई मिलिंग तकनीकी का प्रयोग कर रही हैं अथवा प्रयोग करेंगी।

(3) आवेदन प्रस्तुत करना

इस स्कीम के तहत सहायता प्राप्त करने के लिए, चीनी मिलों/डिस्टिलरियों/उद्यमियों को आवेदन-सह-प्रस्ताव निर्धारित प्रपत्र (अनुबंध-1) में डीएफपीडी पोर्टल (<http://sugarethanol.nic.in/>) ऑन लाईन माध्यम से इस स्कीम की अधिसूचना की तारीख से 30 दिन के भीतर निदेशक (शर्करा), शर्करा और वनस्पति तेल निदेशालय, खाद्य और सार्वजनिक वितरण विभाग, कृषि भवन, नई दिल्ली को भेजने अपेक्षित होंगे और भविष्य में जब कभी इस स्कीम के अधीन लाभ प्राप्त करने के लिए नए आवेदन आमंत्रित करने हेतु समय-समय पर खाद्य और सार्वजनिक वितरण विभाग द्वारा विंडो खोली जाएगी, तब भेजने अपेक्षित होंगे।

(4) आवेदन का मूल्यांकन/अनुमोदन

खाद्य और सार्वजनिक वितरण विभाग, दो समितियों अर्थात् जांच समिति और अनुमोदन समिति का गठन करेगा। इस स्कीम के अंतर्गत प्राप्त प्रस्ताव जांच समिति और अनुमोदन समिति के समक्ष रखे जाएंगे एवं तत्पश्चात् पात्र आवेदकों को खाद्य और सार्वजनिक वितरण विभाग द्वारा सैद्धान्तिक अनुमोदन प्रदान किया जाएगा। उक्त समितियां परियोजना की व्यवहार्यता का आंकलन करने के लिए आवश्यक समझे जाने वाले पैरामीटरों को ध्यान में रखते हुए आवेदनों की जांच करेंगी। ऐसी चीनी मिलें जिनके पास सरकार का बकाया है जैसे कि एसडीएफ बकाया, उन्हें सैद्धान्तिक अनुमोदन सरकारी बकायों का भुगतान होने के उपरांत ही प्रदान किया जाएगा।

5) स्कीम की रूपरेखा

(i) आवेदन-सह-प्रस्ताव की जांच करने के बाद खाद्य और सार्वजनिक वितरण विभाग अपना सैद्धान्तिक अनुमोदन देगा और ऐसे अनुमोदित प्रस्ताव उधार देने वाले बैंक को ऋण स्वीकृत करने के संबंध में विचार करने हेतु संस्तुत करेगा। बैंक/एनसीडीसी/आईआरईडीए/एनबीएफसी/कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, अपने वाणिज्यिक मानदण्डों/नीतियों के अनुसार और भारतीय रिजर्व बैंक द्वारा समय-समय पर यथा-अधिसूचित पुनर्संरचना से संबंधित दिशा-निर्देशों सहित विनियामक दिशा-निर्देशों के अनुपालन में ऋण संस्वीकृत करने/जारी करने के लिए स्वतंत्र होंगे।

(ii) आवेदक को खाद्य और सार्वजनिक वितरण विभाग के सैद्धान्तिक अनुमोदन की तारीख से 01 वर्ष के भीतर बैंक/एनसीडीसी/आईआरईडीए/एनबीएफसी/कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, से ऋण संवितरित हो जाना चाहिए, ऐसा न होने पर परियोजना के लिए सैद्धान्तिक अनुमोदन रद्द हो जाएगा। इसके अलावा, बैंक/एनसीडीसी/आईआरईडीए/एनबीएफसी/कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, से ऋण की पहली किस्त के संवितरण की तारीख से 2 वर्ष के अंदर परियोजना पूर्ण हो जानी चाहिए।

(iii) आवेदक को विभिन्न गतिविधियों अर्थात् परियोजना के लिए भूमि की व्यवस्था करना, पर्यावरण, वन और जलवायु परिवर्तन मंत्रालय के परिवेश पोर्टल (<http://parivesh.nic.in/>) में पर्यावरण क्लियरेंस का अनुमोदन लेने के लिए आवेदन प्रस्तुत करना और बैंक/एनसीडीसी/आईआरईडीए/एनबीएफसी/कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, को ऋण आवेदन प्रस्तुत करना; प्रत्येक माह खाद्य और सार्वजनिक वितरण विभाग के पोर्टल (<http://sugarethanol.nic.in/>) पर प्रगति अद्यतन करना, के लिए खाद्य और सार्वजनिक वितरण विभाग द्वारा यथा

निर्दिष्ट समय-सीमा का पालन करना चाहिए, ऐसा न करने पर परियोजना के लिए सैद्धांतिक अनुमोदन खाद्य और सार्वजनिक वितरण विभाग द्वारा रद्द किया जा सकता है।

(iv) चीनी मिलें/ डिस्टीलरियां संबंधित परियोजनाओं का क्रियान्वयन करते समय इथेनोल उत्पादन में क्षमता वर्धन/उन्नयन के लिए सरकार की मेक-इन-इंडिया स्कीम के साथ समभिरूपता स्थापित करने का प्रयास करेंगी।

(v) स्कीम के अधीन ऋण का संवितरण अलग खाते में किया जाएगा ताकि उक्त प्रयोजन के लिए राशि के उपयोग की मानीटरिंग आसानी से की जा सके।

(vi) वित्तीय सेवाएं विभाग नोडल बैंक के रूप में नाबार्ड की नियुक्ति सहित इस स्कीम के प्रचालन के लिए बैंक/एनसीडीसी/आईआरईडीए/एनबीएफसी/कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, को उचित अनुदेश जारी करेगा।

6. ब्याज छूट के भुगतान की रूपरेखा

(i) स्कीम के अधीन ऋण राशि पर ब्याज छूट का भुगतान एक वर्ष की स्थगन अवधि सहित 5 वर्षों के लिए किया जाएगा।

(ii) सरकार द्वारा ब्याज छूट का लाभ तभी प्रदान किया जाएगा, यदि आवेदन करने वाली चीनी मिलों/ डिस्टीलरियों का खाता मानक है और खाता एनपीए होने तक यह उपलब्ध नहीं होगा। चीनी मिल/डिस्टीलरी चूक की अवधि के लिए मूलधन के साथ दंडात्मक ब्याज सहित ब्याज चुकाने के लिए उत्तरदायी होगी। इसके अलावा, बैंकों को चूककर्ता ऋणग्राहियों के विरुद्ध बैंकिंग मानदंडों तथा लागू बैंकिंग विनियामक दिशा-निर्देशों के अनुसार कार्रवाई करने की स्वतन्त्रता होगी।

(iii) चीनी मिलों के पास अधिशेष नकद प्रवाह के मामले में बैंक/एनसीडीसी/आईआरईडीए/एनबीएफसी/कोई अन्य वित्तीय संस्थान, जो नाबार्ड से पुनर्वित्त पोषण के लिए पात्र हैं, द्वारा शीघ्र भुगतान लेने का निर्णय लिया जा सकता है और ऋण खाते के प्रति खाद्य और सार्वजनिक वितरण विभाग की ब्याज छूट संबंधी देयता तदनुसार कम हो जाएगी।

(iv) वित्तीय सेवाएं विभाग द्वारा नियुक्त नोडल बैंक को खाद्य और सार्वजनिक वितरण विभाग ब्याज छूट की राशि त्रैमासिक आधार पर अग्रिम तौर पर जारी करेगा। अग्रिम तौर पर भुगतान की गई ब्याज छूट पर अर्जित ब्याज का समायोजन आगामी त्रैमासिक किस्त में किया जाएगा।

(v) खाद्य और सार्वजनिक वितरण विभाग नाबार्ड से परामर्श करके ब्याज छूट के निर्गम की विधि तैयार करेगा।

7. परियोजना पूर्ण होने का प्रमाणपत्र

संबंधित उद्यमी/चीनी मिल/डिस्टीलरी केन्द्रीय प्रदूषण नियंत्रण बोर्ड द्वारा विधिवत सत्यापित प्रमाण पत्र प्रस्तुत करेंगी, जिसमें प्रमाणित किया गया हो कि आवेदन प्रस्तुत करते समय इस प्रयोजनार्थ प्रस्तावित विधि के माध्यम से जीरो लिक्विड डिस्चार्ज प्राप्त कर लिया गया है। नई डिस्टीलरियों की स्थापना करने अथवा मौजूदा डिस्टीलरियों का विस्तार करने के लिए ऋण लेने वाली चीनी मिलें/डिस्टीलरियां संबंधित राज्य के उत्पाद शुल्क आयुक्त तथा सनदी इंजीनियर द्वारा विधिवत सत्यापित प्रमाण पत्र प्रस्तुत करेंगी, जिनमें क्रमशः प्रमाणित किया गया हो कि नई डिस्टीलरी ने उत्पादन करना प्रारम्भ कर दिया है और इसकी स्थापना कर दी गई है अथवा मौजूदा डिस्टीलरी का विस्तार पूरा कर लिया गया है और

इथेनोल का वर्धित उत्पादन शुरू हो गया है। ऐसे प्रमाण पत्र प्रस्तुत करने में असफल रहने पर केन्द्रीय सरकार द्वारा ब्याज छूट की प्रतिपूर्ति नहीं की जाएगी।

8. उपयोग प्रमाणपत्र

अनुमोदित ऋण राशि के लिए चीनी मिलें/डिस्टीलरियां/उद्यमी परियोजना पूर्ण होने के तीन माह के भीतर संबंधित चीनी/गन्ना आयुक्त, उत्पाद आयुक्त अथवा राज्य सरकार द्वारा नामित किसी अन्य प्राधिकारी द्वारा विधिवत सत्यापित उपयोग प्रमाण पत्र प्रस्तुत करेंगी, जिसमें यह प्रमाणित किया गया हो कि ऋण की राशि का उपयोग स्कीम में निर्दिष्ट प्रयोजनार्थ किया गया है। उक्त प्राधिकारी ऋण के उपयोग की मानीटरिंग भी करेंगे। उपयोग प्रमाण पत्र प्रस्तुत करने में असफल रहने पर केन्द्रीय सरकार द्वारा ब्याज छूट की प्रतिपूर्ति नहीं की जाएगी।

9. जहां केन्द्रीय सरकार की यह राय है कि ऐसा करना आवश्यक अथवा समीचीन है, तो वह आदेश द्वारा अथवा लिखित में कारण दर्ज करके इस स्कीम के किसी भी प्रावधान में संशोधन कर सकती है।

[फा.सं. 1(13)/2020-एस पी-1]

सुबोध कुमार सिंह, संयुक्त सचिव

अनुबंध -1

अनाज (चावल, गेहूं, जौ, मक्का और सोरघम), गन्ना, चुकंदर आदि जैसे फीड स्टॉक से फ़र्स्ट जनरेशन (1जी) इथेनोल उत्पादन के लिए अपनी इथेनोल डिस्टिलेशन क्षमता बढ़ाने अथवा डिस्टिलरियों की स्थापना करने हेतु वित्तीय सहायता प्राप्त करने के लिए चीनी कारखानों/डिस्टिलरियों/उद्यमियों से आवेदन।

क. परियोजना प्रस्तावकों का संक्षिप्त विवरण

1.	क. चीनी कारखाने /डिस्टिलरी/ उपक्रम / सोसाईटी / कंपनी/ व्यक्ति का नाम	
	ख. पूर्ण पता	
	ग. ई-मेल	
	घ. मोबाइल नंबर	
	ड. जिला	
	च. राज्य	
2.	डिस्टिलरी से संबद्ध कारखाने का संक्षिप्त नाम और प्लांट कोड	
3.	चीनी मिलों/मौजूदा डिस्टिलरी में एथेनाल उत्पादन शुरू होने की तिथि	
4.	क. मौजूदा डिस्टिलरी की एल्कोहल उत्पादन क्षमता	
	ख. मौजूदा डिस्टिलरी की इथेनाल उत्पादन क्षमता, यदि कोई हो	
	ग. मौजूदा डिस्टिलरी के प्रचालन दिवस प्रतिवर्ष की संख्या	
5.	चीनी विकास निधि देयता, यदि कोई हो, की स्थिति (चीनी कारखाने के मामले में)	

ख. नई डिस्टिलरी की स्थापना/ मौजूदा डिस्टिलरी के विस्तार/मालीकूलर सीव डिहाइड्रेशन (एमएसडीएच) कालम स्थापित करने के लिए प्रस्ताव से संबंधित जानकारी

1.	जिसके लिए प्रस्ताव प्रस्तुत है (उस श्रेणी को निर्दिष्ट करें, जिसके अधीन आवेदन प्रस्तुत किया गया है; अधिसूचना के पैरा 1 का संदर्भ लें)	
2.	केएलपीडी में प्रस्तावित नई डिस्टिलरी की क्षमता	

3.	विस्तार परियोजना के मामले में मौजूदा डिस्टिलरी के विस्तार के लिए प्रस्तावित विस्तार क्षमता (.....केएलपीडी से.....केएलपीडी तक)	
4.	क्या नई डिस्टिलरी/मौजूदा डिस्टिलरी का विस्तार करने का प्रस्ताव जीरो लिक्विड डिस्चार्ज प्रणाली स्थापित करने के साथ किया गया है?	हाँ / नहीं
5.	नई डिस्टिलरी/ मौजूदा डिस्टिलरी के विस्तार की परियोजना जिसमें, बुनियादी कीमत और अनुमत्य कर आदि शामिल हैं, के लिए वित्तीय सहायता का अनुरोध किया गया है।	
6.	उधार देने वाले बैंक का नाम	
7.	क्या चीनी मिलों के मामलों में समान परियोजना के लिए एसडीएफ सहायता ली गई है?	हाँ / नहीं
8.	नई डिस्टिलरी की स्थापना करने/मौजूदा डिस्टिलरी का विस्तार करने/मालीकूलर सीव डिहाइड्रेशन (एमएसडीएच) कालम स्थापित करने पर प्रचालन के प्रस्तावित दिन	
9.	नए संयंत्र की स्थापना/मौजूदा संयंत्र के विस्तार/मालीकूलर सीव डिहाइड्रेशन (एमएसडीएच) कालम स्थापित करने हेतु प्रस्तावित तारीख ।	तारीख/माह/वर्ष
10.	प्रस्तावित नई डिस्टिलरी अथवा डिस्टिलरी विस्तार, जो भी मामला हो, के लिए इथेनॉल उत्पादन के शुरू करने की अनुमानित तारीख।	तारीख/माह/वर्ष
11.	क्या प्रस्तावित नई डिस्टिलरी/मौजूदा डिस्टिलरी के विस्तार के लिए संयंत्र और मशीनरी स्वदेशी स्रोत से खरीदी गई है (यदि नहीं, तो इसका कारण बताएं)?	हाँ / नहीं

हस्ताक्षर.....

(नाम.....)

मुहर.....

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 14th January, 2021

S.O. 148 (E).— The Central Government with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, especially in the surplus season and thereby to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of the farmers notified the scheme namely “Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity” vide notification No. S.O. 3523(E), dated 19.07.2018, which was subsequently amended vide notifications No. S.O. 3952(E), No. S.O. 5219(E), No. S.O.47 (E), No. S.O. 4104(E) and No. S.O. 1523(E) dated 09.08.2018, 11.10.2018, 04.01.2019, 14.11.2019 and 20.05.2020 respectively. Thereafter schemes for extending financial assistance to sugar mills & molasses based standalone distilleries for enhancement and augmentation of ethanol production capacity were notified on 08.03.2019 vide notifications No. S.O. 1227(E) & S.O. 1228(E). Further vide notifications No. S.O. 3135(E) & S.O. 3136(E) dated 15.09.2020, a small window was opened for 30 days for inviting applications under the scheme from molasses based stand alone distilleries and from sugar mills.

Now, the Central Government, hereby notifies the following modified scheme namely- “Scheme for extending financial assistance to project proponents for enhancement of their ethanol distillation capacity or to set up distilleries for producing 1st Generation (1G) ethanol from feed stocks such as cereals (rice, wheat, barley, corn & sorghum), sugarcane, sugar beet etc.” –

(1) Eligibility

Assistance under the scheme shall be available to the entrepreneurs for:

- (i) Setting up grain based distilleries/expansion of existing grain based distilleries to produce ethanol. However, benefits of interest subvention scheme is to be extended to only those distilleries which are using or will be using dry milling technique to produce Dry Distillers Grain Soluble (DDGS).
- (ii) Setting up new molasses based distilleries/expansion of existing distilleries (whether attached to sugar mills or standalone distilleries) to produce ethanol and for installing any method approved by Central Pollution Control Board for achieving Zero Liquid Discharge (ZLD).
- (iii) To set up new dual feed distilleries or to expand existing capacities of dual feed distilleries.
- (iv) To convert existing molasses based distilleries (whether attached to sugar mills or standalone distilleries) to dual feed (molasses and grain/ or any other feed stock producing 1G Ethanol); and also to convert grain based distilleries to dual feed.
- (v) To set up new distilleries / expansion of existing distilleries to produce ethanol from other feed stocks producing 1G ethanol such as sugar beet, sorghum, cereals etc.
- (vi) To install Molecular Sieve Dehydration (MSDH) column to convert rectified spirit to ethanol in the existing distilleries.

(2) Assistance under the Scheme

- (i) Interest subvention @ 6% per annum or 50% of rate of interest charged by banks/National Cooperative Development Corporation (NCDC)/ Indian Renewable Energy Development Agency Limited (IREDA)/ Non-Banking Financial Companies (NBFCs)/any other financial institutions which are eligible for re-finance from NABARD, whichever is lower, on the loans to be extended by banks/NCDC/IREDA/NBFCs/ any other financial institutions which are eligible for re-finance from NABARD, shall be borne by the Central Government for five years including one year moratorium against the loan availed by project proponents.
- (ii) Interest subvention under the scheme shall be provided on loan amount sanctioned and disbursed in respect of each project based on the proposed capacity, limited to the in principle approval by Department of Food and Public Distribution (DFPD).
- (iii) Interest subvention would be available to only those distilleries which will supply at least 75% of ethanol produced from the added distillation capacity to OMCs for blending with petrol.
- (iv) Assistance shall not be available to sugar mills and distilleries which have availed benefits under any other scheme of Central Government for the same project.
- (v) In case of grain based distilleries, interest subvention would be applicable only if they are using or will be using dry milling technique to produce DDGS.

(3) Submission of application

For availing assistance under the Scheme, the sugar mills/distilleries/entrepreneurs would be required to submit an application cum-proposal in the prescribed Proforma (**Annexure-I**) to the Director (Sugar), Directorate of Sugar and Vegetable Oils, Department of Food & Public Distribution (DFPD), Krishi Bhawan, New Delhi within 30 days from the date of notification of the scheme through online on the DFPD portal (<http://sugarethanol.nic.in/>) and in future, whenever a window is opened by DFPD from time to time to invite fresh applications to avail benefit under the Scheme.

(4) Appraisal/Approval of applications

DFPD will constitute two Committees viz. Screening Committee and Approval Committee. The proposals received under the Scheme would be placed before Screening Committee and Approval Committee and thereafter in-principle approval would be accorded by DFPD to the eligible applicants. The said Committees shall scrutinize the applications keeping in view the parameters as deemed necessary. In case of sugar mills having Government dues namely SDF dues, in-principle approval would be accorded only after clearance of Government dues.

(5) Modalities of the Scheme

- (i) After scrutinizing the applications cum proposals, DFPD will accord in principle approval and recommend such approved proposals to the lending banks/financial institutions for considering sanction of loan. Banks/NCDC/IREDA/NBFCs/any other financial institutions which are eligible for re-finance from NABARD would be at liberty to sanction/release the loan as per their commercial norms/policies and in compliance with regulatory guidelines, including the restructuring guidelines, as notified by RBI from time to time.
- (ii) The applicant should get the loan disbursed from the bank/ NCDC /IREDA / NBFCs / any other financial institutions which are eligible for re-finance from NABARD, within 1 year from the date of in-principle approval of DFPD, failing which the in-principle approval for the project will stand cancelled. Further, the project should be completed within 2 years from the date of disbursement of 1st installment of loan from

bank/ NCDC/IREDA/NBFCs/any other financial institutions which are eligible for re-finance from NABARD.

- (iii) The applicant should adhere to the time line as specified by DFPD for various activities viz. arrangement of land for the project, submission of application for seeking approval of environmental clearance in parivesh portal of Ministry of Environment, Forest & Climate Change (<http://parivesh.nic.in/>) and submission of loan application to the bank/ NCDC/IREDA/NBFCs/any other financial institutions which are eligible for re-finance from NABARD; updating progress on the DFPD portal (<http://sugarethanol.nic.in/>) every month, failing which the in-principle approval for the project may be cancelled by DFPD.
- (iv) While implementing their respective projects, the sugar mills/distilleries shall strive to seek convergence with the Make in India scheme of the Government for capacity addition/ up-gradation in ethanol production.
- (v) The disbursement of loan under the scheme shall be in a separate account so that the utilization of the money for the said purpose is easily monitored.
- (vi) The Department of Financial Services (DFS) will issue suitable instructions to the banks/NCDC/IREDA/NBFCs/any other financial institutions which are eligible for re-finance from NABARD to operationalize the scheme including appointment of NABARD as a nodal bank.

(6) Modalities for payment of interest subvention

- (i) Payment of interest subvention on loan amount under the scheme will be limited to only 5 years including one year moratorium period.
- (ii) The benefit of interest subvention will be provided by Government of India only if the account of applicant sugar mill/distillery is Standard and will not be available as long as account is NPA. The sugar mill/distillery will be responsible for repayment of interest including penal interest for the period of default along with the principal. Further, banks will be free to take necessary action against the defaulting borrowers as per banking norms and applicable regulatory guidelines.
- (iii) In the event of surplus cash flow with the sugar mills/distilleries, accelerated payments may be decided by the bank/NCDC/IREDA/NBFCs / any other financial institutions which are eligible for re-finance from NABARD and the interest subvention liability of DFPD towards loan account would accordingly get reduced.
- (iv) The Department of Food and Public Distribution (DFPD) will release the interest subvention amount on quarterly basis in advance to the nodal bank as appointed by DFS. The interest earned on the interest subvention paid in advance shall be adjusted in the next quarterly installment.
- (v) DFPD will work out the modalities of release of Interest Subvention in consultation with NABARD.

(7) Project Completion Certificate

The concerned entrepreneur/sugar mill/distillery shall submit a certificate duly verified by the Central Pollution Control Board certifying that zero liquid discharge has been achieved through the method proposed at the time of submitting application for such purpose. Sugar mills/distilleries/entrepreneurs availing loan to establish new distilleries or expansion of the existing distilleries shall submit a certificate duly verified by the Excise Commissioner of the State concerned and the Chartered Engineer certifying respectively that the new distillery has commenced production and has been installed or expansion of the existing distillery has been completed and enhanced production of ethanol has commenced. Any failure to submit such certificates shall lead to non reimbursement of interest subvention by the Central Government.

(8) Utilization Certificate

The concerned sugar mills/distilleries/entrepreneurs shall submit utilization certificate for the sanctioned loan amount within three months of the completion of the project, duly verified by the respective Sugar/Cane Commissioners, Excise Commissioner or any other authority designated by the State Government certifying that the loan amount has been utilized for the purpose specified in the scheme. The said authorities shall also monitor the utilization of the loan. Any failure to submit the utilization certificate shall lead to non-reimbursement of interest subvention by the Central Government.

(9) Where the Central Government is of the opinion that it is necessary or expedient to do so, it may, by order and for reasons to be recorded in writing modify any of the provisions of this Scheme.

[F. No. 1(13)/2020-SP-I]

SUBODH KUMAR SINGH, Jt. Secy.

APPLICATION FROM THE SUGAR FACTORY/DISTILLERY / ENTERPRENEURS FOR FINANCIAL ASSISTANCE FOR ENHANCEMENT OF THEIR ETHANOL DISTILLATION CAPACITY OR TO SET UP DISTILLERIES FOR PRODUCING 1ST GENERATION (1G) ETHANOL FROM FEED STOCKS SUCH AS CEREALS (RICE, WHEAT, BARLEY, CORN & SORGHUM), SUGARCANE, SUGAR BEET ETC.

A. Brief details of the project proponents

1	(a) Name of the sugar factory/distillery/undertaking / society/ company/individual	
	(b) Complete address	
	(c) e-mail	
	(d) Mobile No.	
	(e) District	
	(f) State	
2	Short name & plant code of the sugar factory attached with distillery	
3	Date of commencement of ethanol production of the sugar mill/existing distillery (if any)	
4	(a) Production capacity of alcohol of the existing distillery	
	(b) Production capacity of ethanol of the existing distillery, if any	
	(c) Number of operating days/annum of existing distillery	
5	Status of SDF dues, if any (in case of sugar factory)	

B. Information relating to proposal for setting-up of new distillery/expansion of existing distillery/ installation Molecular Sieve Dehydration (MSDH) column

1	Proposal submitted for (specify the category under which application is submitted; refer Para 1 of the notification)	
2	Capacity of the proposed new distillery in KLPD	
3	Proposed expansion capacity for expansion of existing distillery in case of expansion project (fromKLPD toKLPD)	
4	Whether the new distillery / expansion of the existing distillery is proposed to be installed with zero liquid discharge system?	Yes/No
5	Financial assistance requested for new distillery / expansion of the existing distillery project including basic price and applicable taxes etc.	
6	Name of the lending bank/branch.	
7	Whether SDF assistance has been availed for similar project in case of sugar mills?	Yes/No
8	Proposed days of operation on setting up of new distillery / expansion of the existing distillery/ installation of Molecular Sieve Dehydration (MSDH) column.	
9	Proposed date of completion of new plant / expansion of existing plant/ installation of Molecular Sieve Dehydration (MSDH) column.	DD/Month/Year
10	Expected date of commencement of ethanol production for the proposed new distillery or expanded distillery as the case may be.	DD/Month/Year
11	Whether proposed new distillery / plants and machineries for expansion of the existing distillery are procured from indigenous source (if not, reasons for the same)?	Yes/ No

Signature.....
(Name.....)
Seal/Stamp.....