MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department 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. (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 (ff), the following clause shall be inserted, namely :—

'(fff) "Co-operative Bank" shall have the same meaning as assigned to it in clause (cci) 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 (jj), the following clause shall be inserted, namely :—

'(jjj) "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.

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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 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.

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