7. सा0का0नि0 संख्या 27 (अ) तारीख 12.01.1996
8. सा0का0नि0 संख्या 656 (अ) तारीख 21.11.1997
9. सा0का0नि0 संख्या 91 (अ) तारीख 12.02.2001
10. सा0का0नि0 संख्या 886(अ) तारीख 06.12.2001
11. सा0का0नि0 संख्या 443(अ) तारीख 21.06.2002; और
12. सा0का0नि0 संख्या 584(अ) तारीख 19.08.2002।

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

NOTIFICATION

New Delhi, the 29th January, 2003

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

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

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

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

'(kk) "scheduled bank" means a bank for the time-being included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934);'

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3. In the said rules, in rule 7, in sub-rule (1), for the brackets, words, figures and letter "(rules 16, 17, and 18 and 18A)", the brackets, words, figures and letter "(rules 16, 17, 17A, 18, 18A, 20, 21, 22 and 23)" shall be substituted.

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

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

"CHAPTER – XI

Loan for production of Anhydrous Alcohol or Ethanol from Alcohol

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

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

(b) the sugar factory is implementing a project appraised by a Financial Institution or a Scheduled Bank or an agency approved by the Central Government for this purpose, for the production of anhydrous alcohol or ethanol from alcohol by installing the required plant and machinery and subject to the said appraisal,

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undertakes to meet at least twenty-five per cent of the cost of the project from its own resources.

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

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

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

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

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

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

(6) An eligible sugar factory under this rule, shall make an application to the Committee in Form VII in duplicate along with a copy each of its balance

sheet and profit and loss account for the last three consecutive years preceding the year in which the application is made.

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

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

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

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

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

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

(10) (a) In respect of a sugar factory that has applied for a loan, falling under clause (a) of sub-rule (1) of this rule, the Central Government may after consideration of the recommendation of the Committee and any other

relevant factor with a view to improving its viability, authorize payment of such amount of loan not exceeding the amount required by the Financial Institution or the Scheduled Bank, as the case may be, to be contributed by such sugar factory as promoters' contribution as may be determined by the Central Government.

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

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

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

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

(14) (a) The loan from the Fund along with the interest due thereon shall be recovered in half-yearly instalments not exceeding eight in number.

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(b) The repayment of the loan with interest thereon shall commence after the expiry of one year reckoned from the date of each disbursement of the loan from the Fund.

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

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

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

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

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

(ii) In respect of loans authorised under clause (b) of sub-rule (10) of this rule to a sugar factory, the sugar factory shall make repayments of the loan and payment of interest thereon and credit the said amounts to the Fund in terms of sub-rule (14).

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

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

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

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Chapter – XII

Loan for bagasse-based cogeneration power projects

23 (1) Any sugar factory having an installed capacity of 2500 Tonnes Crushed Per Day or higher to which financial assistance has been approved by a Financial Institution or a Scheduled Bank for it to implement a project of bagasse-based cogeneration of power by installing the required plant and machinery shall be eligible to apply for a loan from the Fund under this rule for implementing the project provided that the project envisages marketable surplus of cogenerated power and provided further that at least ten per cent of the cost of the project is being met by the sugar factory from its own internal generation of funds as part of the promoters' contribution required by the Financial Institution or the Scheduled Bank.

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

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

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

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

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

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

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

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

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

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

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

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

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

(11) The amount of loan authorised under sub-rule (10) shall be disbursed by the Central Government to the sugar factory or paid by it to the Financial Institution or the Scheduled Bank, as the case may be, for disbursement

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to the sugar factory, either in lump sum or in two or more instalments, as may be considered necessary by the Central Government.

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

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

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

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

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

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

(16) (a) The sugar factory shall, after the execution of the agreement referred to in sub-rule (15) above, and before the disbursement of the loan under sub-rule (11), furnish security for the loan to the satisfaction of the Central Government.

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

(i) Bank Guarantee from a Scheduled Bank, or

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

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

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

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

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

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

"FORM-VII

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

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

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	(5) Installed capacity of ethanol manufacturing plant ('000 litres) (6) Capacity utilization (% of installed capacity) (a) Sugar (b) Alcohol (c) Ethanol (7) Production (a) Sugar ('000 tonnes) (b) Alcohol ('000 litres) (c) Ethanol ('000 litres)	
	B. Working results: (for three consecutive years preceding the year in which the application is made) I. (1) Sales net of Excise Duty (i) Sugar (ii) Alcohol (iii) Any other product Total of (1) (2) Less: Direct Production Expenses (3) Gross Profit (1-2) (4) Less: (a) Manufacturing Expenses (b) Administrative Expenses (c) Selling & Distribution Expenses Total of (4) (5) Operating Profit before depreciation and interest(3-4) (6) Add: Other Income (7) Net Profit before depreciation and interest (5+6) (8) Less: (a) Depreciation (b) Interest Total of (8)	Year ended 200 200 200

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	(9) Net Profit before taxation (7-8)	
	(10) Less: Provision for taxation	
	(11) Net Profit after tax (9-10)	
	(12) Equity as at the end of	
	(13) Return on equity [(11)/(12)*100]	
	(14) Debt as at the end of	
	(15) Average interest rate on debt [(8b)/(14)*100].	
	(16) Weighted average cost of capital [{(12)*(13) + (14)*(15)}/{(12)+(14)}]	
	II.	
	(1) Cane price payable (Rs. Lakhs) (2) Cane price paid (Rs. Lakhs) (3) Cane price arrears (Rs. Lakhs)	
	C. Financial position (for three consecutive years preceding the year in which the application is made)	Year ended 200 200 200
	I. Sources of Funds	
	1. Shareholders'/ owners' funds	
	(a) Capital (b) Reserves & Surplus Total	
	2. Loan Funds	
	(a) Secured Loans	
	1. Term loans 2. Sugar Development Fund Loans 3. Working Capital loans Total	

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	(b) Unsecured Loans 1. From Banks/ FIs 2. Others Total Total (a+b) Total of (I) II. Application of Funds 1. Fixed Assets (a) Gross Block Less: Depreciation (b) Net Block Add: Capital Work in Progress Total 2. Investments 3. Working Capital 3.1 Current Assets, Loans & Advances (a) Inventories (b) Sundry Debtors (c) Cash & Bank balances (d) Other current assets (e) Loan & advances Total (a to e) 3.2 Current Liabilities & Provision (a) Current Liabilities (b) Provisions Total (a+b) Working Capital (3.1 minus 3.2) Total of (II)	
VI.	Management: (a) Board of Directors (b) Executive set-up	

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VII	A. (1) Brief description of the proposed project and how the project is expected to improve the operations/ viability of the sugar factory (enclose a copy of the project report). (2) Proposed ethanol manufacturing capacity ('000 litres) (3) Project implementation period (months) B. Financial Details as appraised (Rs. lakhs) (1) Capital cost of project (2) Sources of financing Equity: - (a) Promoters' contribution Debt: - (a) Sugar Development Fund Loan (b) Term loan Total Investment C. Project viability details (1) Average return on Equity (%) (2) Average interest rate on debt (%) (3) Weighted average cost of capital (%) (4) Average Debt Service Coverage Ratio (5) Pay back period (years) (6) Net Present Value (Rs. '000) (7) Internal Rate of Return (IRR) (%)	
VIII	Whether the project has been approved by an all-India Financial Institution/ Scheduled Bank for assistance under its relevant scheme (name of the scheme and pattern of funding of the scheme): (a) If so, enclose a certified true copy of the "Letter of Intent" issued by the Lead Institution (b) List out any condition(s) of material nature stipulated by the Lead Institution including rate of	

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	interest, repayment period and security.	
IX	Please furnish the project profitability and cash flow statement in the proforma at Annexure to Form VII.	

Place:

Date:

Signature: _____
Name: _____
Designation: _____
Name & Address of the sugar factory
(Occupier)

ANNUXURE TO FORM-VII

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

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	Year ended		
	200	200	200 .....
	(Rs. in lakhs)		
Capacity Utilization (%)			
I. PROFITABILITY			
(1) Sales net of Excise Duty			
(2) Less: Direct Production Expenses			
(3) Gross Profit (1-2)			
(4) Less:			
(a) Manufacturing Expenses			
(b) Administrative Expenses			
(c) Selling & Distribution Expenses			
Total of (4)			
(5) Operating Profit before depreciation and interest (3-4)			
(6) Add: Other Income			
(7) Net Profit before depreciation and interest (5+6)			

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

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

(10) Less:
Provision for taxation

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

(12) Equity as at the end of

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

(14) Debt as at the end of

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

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

II. CASH FLOWS

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

2. Add: Items debited to profit & loss account

(a) Depreciation
(b) Interest expenses
(c) Income tax provisions
(d) Other non-cash debits
Total of (2)

3. Total (1+2)

4. Less: Items credited to profit & loss account

(a) Interest income
(b) Dividend income
(c) Other credits (to specify)
Total of (4)

5. Total (3-4)

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6. Less:

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

7. Total (5-6)

8. Add: Revenue Receipts actually received

(a) Interest
(b) Dividend
(c) Other receipts (to specify)
Total of (8)

9. Total (7+8)

10. Working Capital Changes

(i) Add:

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

(ii) Less:

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

Total of item 10 [(i) – (ii)]

11. Cash flow from operations (9+10)

12. Capital Items

(i) Add:

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

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(ii) Less:
(e) Investment in Project
(f) Redemption of Capital
(g) Redemption of Debentures
(h) Repayment of long-term loans
Total of (ii)

Total of item 12 [(i) – (ii)]

13. Total net cash flow (11+12)

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

15. Payback period (years)

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

17. Internal Rate of Return

FORM-VIII

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

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I.	Name of applicant:	
II.	Address: (i) Registered Office (ii) Location of the factory	
III.	Constitution (Whether Cooperative Society, Private/ Public Ltd. Company, Joint Sector/ Public Sector Company):	
IV.	Date of Incorporation/ Registration:	
V.	Existing Activity/ past performance: (i) Briefly state the present activities: (ii) Performance during the last 3 years:	

	A. Salient production and Operating Results: (for three consecutive years preceding the year in which the application is made) (1) Licensed crushing capacity (Tonnes Crushed per Day) (2) Installed crushing capacity (Tonnes Crushed per Day) (3) Area under sugarcane (acres) (4) Average Yield (tonnes/ acres) (5) Total production of sugarcane in the area (lakh tonnes) (6) Duration of the season net of stoppage (days) (iii) Total cane crushed (lakh □ones) NOTE: (i) In case the performance has not been upto the accepted norms and if there has been wide fluctuation in the performance, please state the reasons, in brief. (ii) Please furnish installed capacity, production and efficiency figures in respect of other activities, if any, such as distillery, paper unit, etc. (iii) Installed capacity, production and efficiency details for existing power cogeneration plant, if any. (iv) Details of Sugar Development Fund and Levy Sugar Price Equalization Fund dues outstanding on the date of application.	Year ended 200 200 200
	B. Working results: (for three consecutive years preceding the year in which the application is made) I. (1) Sales net of Excise Duty (i) Sugar (ii) Alcohol (iii) Any other product Total of (1) (2) Less: Direct Production Expenses	Year ended 200 200 200

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	(3) Gross Profit (1-2) (4) Less: (a) Manufacturing Expenses (b) Administrative Expenses (c) Selling & Distribution Expenses Total of (4) (5) Operating Profit before depreciation and interest (3-4) (6) Add: Other Income (7) Net Profit before depreciation and interest(5+6) (8) Less: (a) Depreciation (b) Interest Total of (8) (9) Net Profit before taxation (7-8) (10) Less: Provision for taxation (11) Net Profit after tax (9-10) (12) Equity as at the end of (13) Return on equity [(11)/(12)*100] (14) Debt as at the end of (15) Average interest rate on debt [(8b)/(14)*100] (16) Weighted average cost of capital [{(12)*(13) + (14)*(15)}/{(12)+(14)}] II. (1) Cane price payable (Rs. Lakhs) (2) Cane price paid (Rs. Lakhs) (3) Cane price arrears (Rs. Lakhs)	

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	C. Financial position (for three consecutive years preceding the year in which the application is made)	Year ended 200	200	200
	I. Sources of Funds			
	1. Shareholders/ owners funds			
	(c) Capital			
	(d) Reserves & Surplus			
	Total			
	2. Loan Funds			
	(a) Secured Loans			
	1. Term loans			
	2. Sugar Development Fund loans			
	3. Working Capital loans			
	Total			
	(b) Unsecured Loans			
	1. From Scheduled Bank(s)/ Financial Institutions			
	2. Others			
	Total			
	Total (a+b)			
	Total of (I)			
	II. Application of Funds			
	1. Fixed Assets			
	(b) Gross Block			
	Less: Depreciation			
	(b) Net Block			
	Add: Capital Work in Progress			
	Total			
	2. Investments			

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	3. Working Capital 3.1 Current Assets, Loans & Advances (a) Inventories (b) Sundry Debtors (c) Cash & Bank balances (d) Other current assets (e) Loan & advances Total (a to e) 3.2 Current Liabilities & Provision (a) Current Liabilities (b) Provisions Total (a+b) Working Capital (3.1 minus 3.2) Total of (II)	
VI.	Management: (a) Board of Directors (b) Executive set-up	
VII	A. (1) Brief description of the proposed project and how the project is expected to improve the operations/ viability of the concern (enclose a copy of the project report). (2) Proposed power plant capacity (Megawatts) (3) Project implementation period (months) (4) Project features (proposed) (a) No. of days of plant operation: (b) No. of boilers to be installed: (c) Capacity of the Boiler: (d) Boiler Outlet Steam Parameters: (e) Fuels used for the boiler: (f) No. of turbogenerators to be installed: (g) Turbogenerator type and capacity: (h) Gross Power Generation (Megawatts): (i) Power Plant in-house power consumption (Megawatts): (j) Power supplied to sugar plant (Megawatts):	

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	(during off season and season) (k) Marketable power surplus (Megawatts): (l) Transmission losses (%): (m) Annual energy sales (Kilowatt hour) : (n) Cost of bagasse at site: (Rs./ Metric tonne) (o) Cost of power (Rs./Megawatts) (p) Plant load factor (q) Bagasse requirement for the boiler (Metric Tonnes): (r) Annual requirement of bagasse (Metric Tonnes): (s) Quantity of bagasse generated by sugar factory (Metric tonnes/ year) B. Financial Details as appraised (Rs. lakh) (1) Capital cost of project (2) Sources of financing Equity: - (b) Promoters' contribution Debt: - (c) Sugar Development Fund loan (d) Term loan Total Investment C. Project viability details (8) Average return on Equity*(%) (9) Average interest rate on debt* (%) (10) Weighted average cost of capital* (%) (11) Average Debt Service Coverage Ratio (12) Pay back period (years) (13) Net Present Value (Rs. '000) (14) Internal Rate of Return (IRR) (%) *Simple ten year average of the corresponding entry in Annexure to Form VIII.	
VIII	Whether the project has been approved by an all-India Financial Institution/ Scheduled Bank for assistance under its relevant scheme (name of the scheme and	

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	pattern of funding of the scheme): (c) If so, enclose a certified true copy of the "Letter of Intent" issued by the Lead Institution (d) List out any condition(s) of material nature stipulated by the Lead Institution including rate of interest, repayment period and security.	
IX	Please furnish the project profitability and cash flow statement in the proforma at Annexure to Form VIII.	

Place: Signature: _____

Name: _____

Date: Designation: _____

Name & Address of the sugar undertaking (Occupier)

ANNUXURE TO FORM-VIII

PROJECT PROFITABILITY AND CASH FLOW STATEMENT

(for the year of investment and subsequent 10 years of operation)

	Year ended		
	200	200	200 .....
	(Rs. in lakhs)		
Capacity Utilization (%)			
I. PROFITABILITY OF THE PROJECT			
(1) Sales net of duties/ taxes			
(2) Less: Direct Production Expenses			
(3) Gross Profit (1-2)			

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

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

(6) Add: Other Income

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

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

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

(10) Less:
Provision for taxation

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

(12) Equity as at the end of

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

(14) Debt as at the end of

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

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

II. CASH FLOWS

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

2. Add: Items debited to profit & loss account

(e) Depreciation
(f) Interest expenses
(g) Income tax provisions
(h) Other non-cash debits
Total of (2)

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3. Total (1+2)

4. Less: Items credited to profit & loss account

(a) Interest income
(b) Dividend income
(c) Other credits (to specify)
Total of (4)

5. Total (3-4)

6. Less:

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

7. Total (5-6)

8. Add: Revenue Receipts actually received

(a) Interest
(b) Dividend
(c) Other receipts (to specify)
Total of (8)

9. Total (7+8)

10. Working Capital Changes

(i) Add:

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

(ii) Less:

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

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Total of item 10 [(i) – (ii)]

11. Cash flow from operations (9+10)

12. Capital Items

(i) Add:

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

(ii) Less:

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

Total of item 12 [(i) – (ii)]

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

[F. No. 1-14/2002-SDF]
S. B. BISWAS, Director

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

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

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