



IFCI Limited
New Delhi



Sugar Development Fund



IFCI Ltd. is the Nodal Agency for channelizing the Sugar development Fund (SDF) of the Government of India since inception of the Fund in 1986.

IFCI monitors the SDF loans sanctioned to private sugar factories for modernization-cum-expansion, setting-up of bagasse based Cogeneration Power Projects, manufacture of Ethanol from alcohol/molasses, Zero Liquid Discharge (ZLD) distillery projects and cane development schemes.



As a Nodal agency of GOI, IFCI is primarily responsible for examination/execution of loan proposals and security documents, recommendation to GOI for release of funds, undertaking site visits for verification of physical and financial progress, verification of utilization of loan monies released by SDF, maintaining loan accounts of borrowers, recovery of SDF dues, taking legal actions against defaulters, etc.



Sugar Development Fund Scheme in Brief

Under the Sugar Development Fund Act, 1982 and Sugar Development Fund Rules, 1983, loans are given to sugar factories, inter-alia, for five schemes viz.

- ❖ Modernization Cum Expansion of sugar factory
- ❖ Cane Development
- ❖ Bagasse based Co-generation power projects
- ❖ Production of Anhydrous Alcohol or Ethanol from alcohol or molasses
- ❖ Conversion of existing plant to Zero Liquid Discharge Plant

The loans carry a concessional rate of interest at the rate of 2% below the Bank Rate.

Cumulative Figures



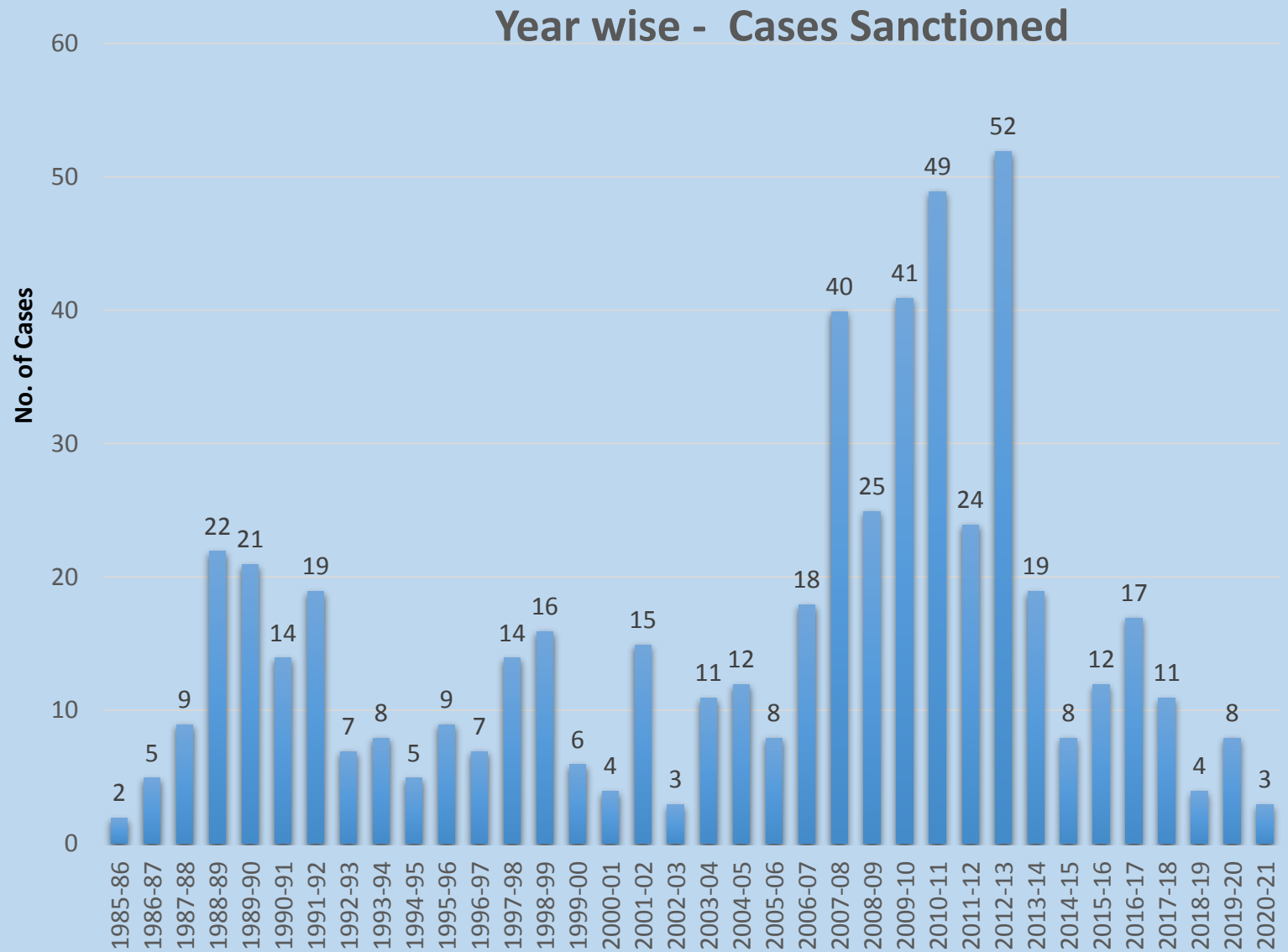
Total Sanction : Rs. 7020.40 Crore
Total Disbursement : Rs. 5884.00 Crore
Agency Commission : Rs. 252.20 Crore

Status as on 31/03/2021

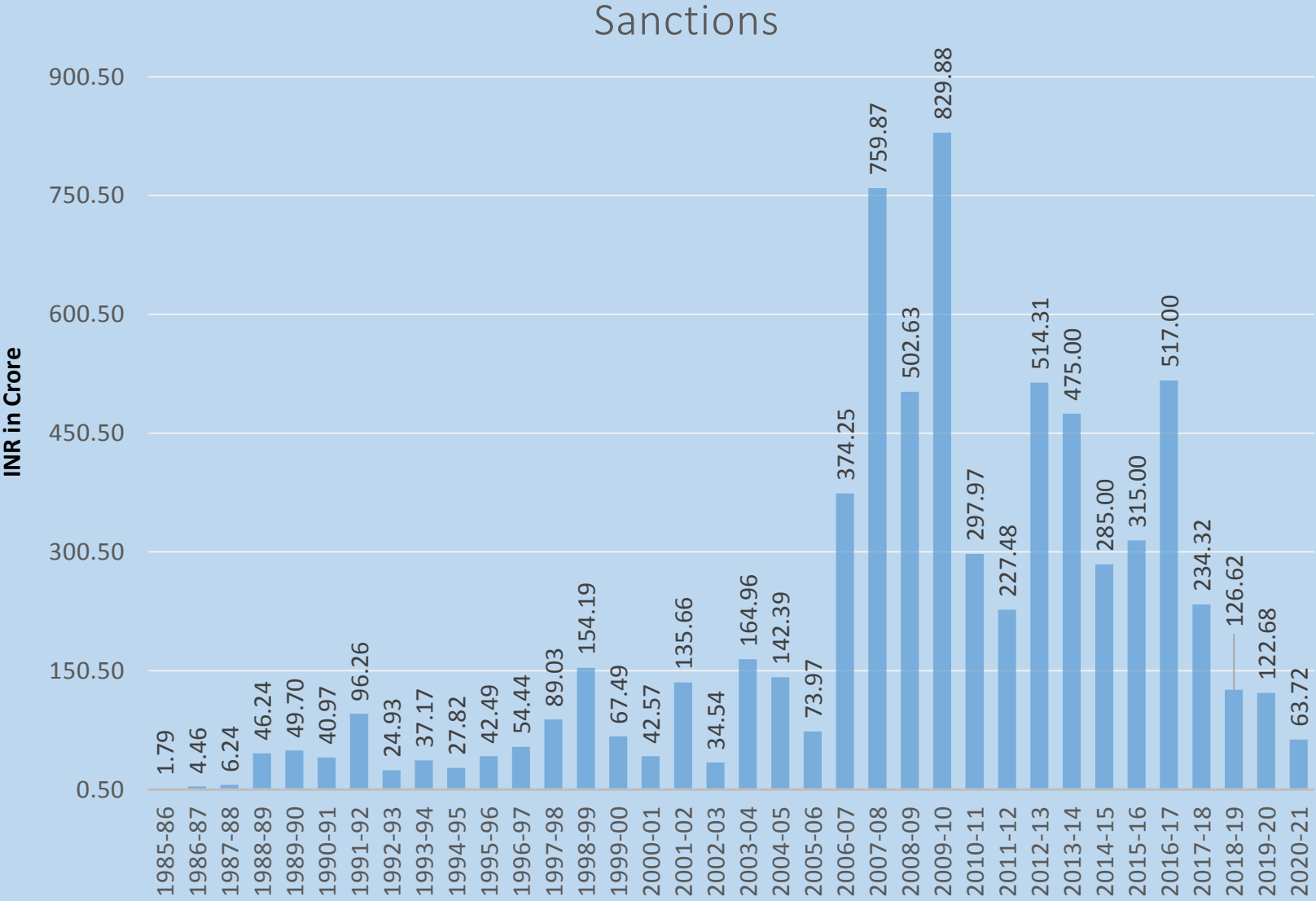
Total Exposure: Rs. 2954.97 Cr.
Number of Loan Accounts : 173
Number of Sub-Loan-Accounts : 247

Note: The data used in the ppt is based on best available information and updated at few places best on information as available.

Year wise number of cases Sanctioned

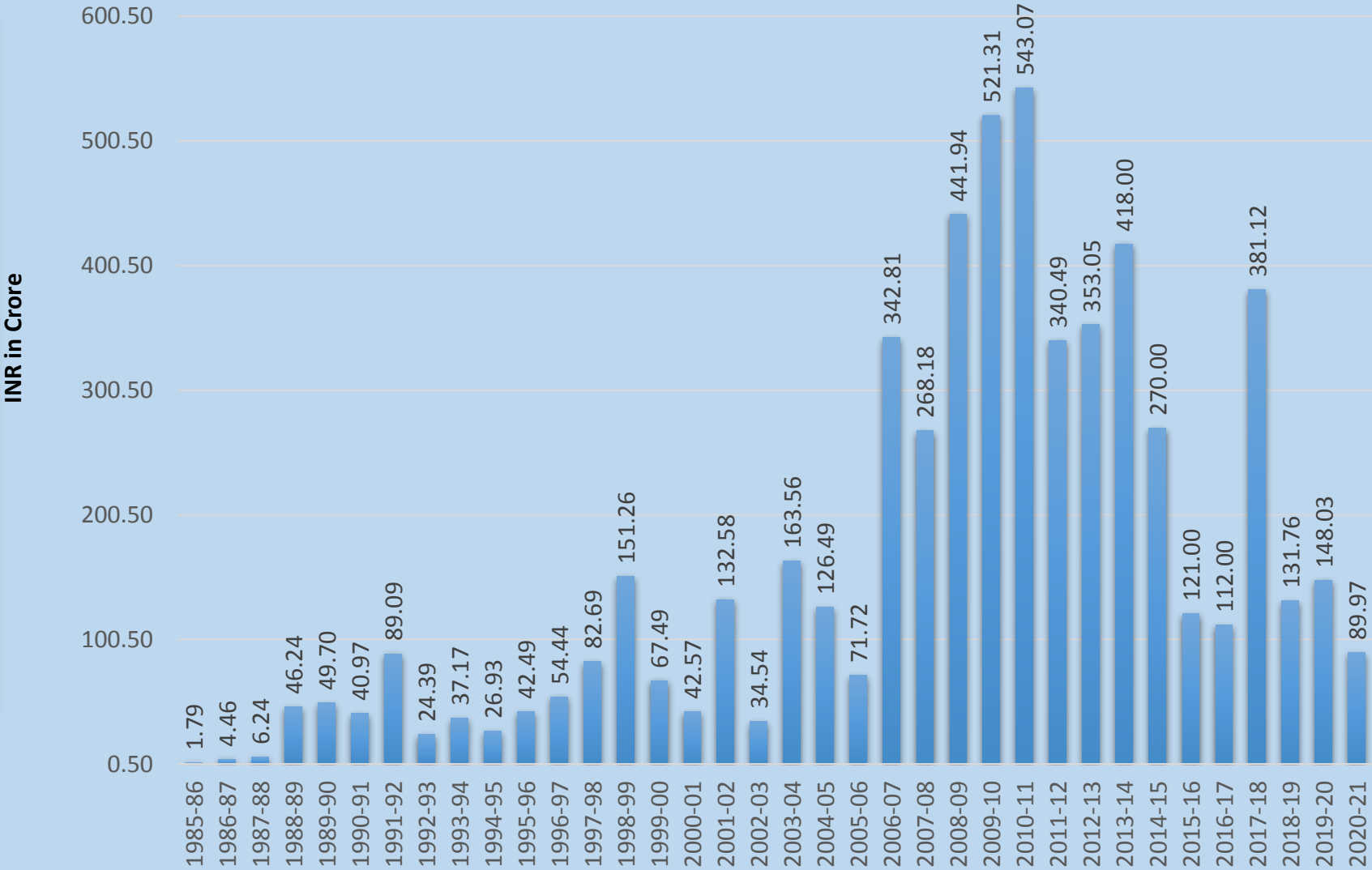


Year wise Amount Sanctioned



Year wise Disbursement

Disbursements



Agency Commission Structure

- Commission for actual recovery is 2%
- Commission for Outstanding Amount (*not falling due for payment*) is detailed as below:

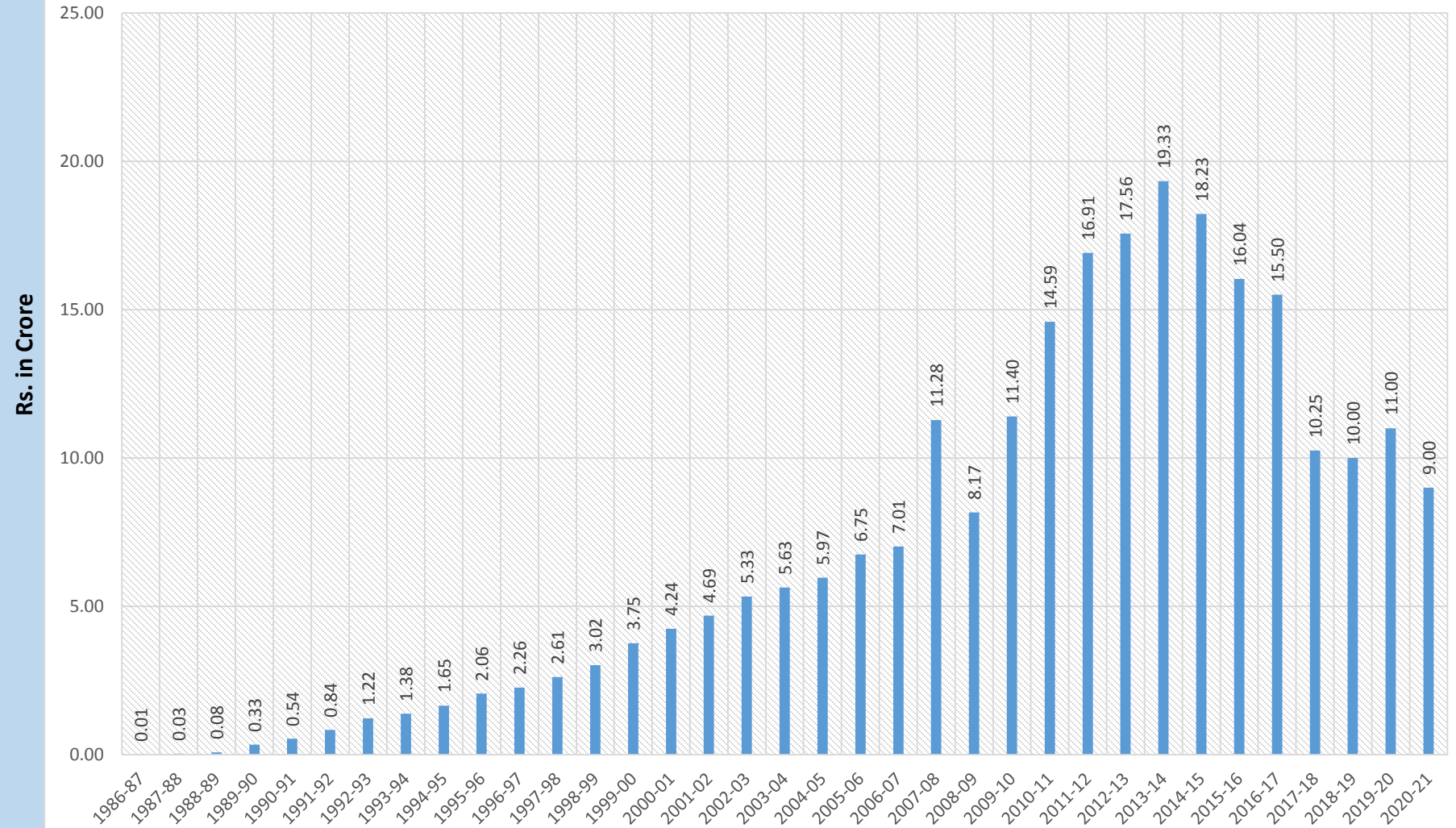
	Commission (%) of Outstanding Loans	Commission is applicable for following period	Commission(%) applicable for remaining period
Modernization	0.5%	3 Yr	0.25%
Cogeneration	0.5%	2 Yr	0.25%
Ethanol/ZLD	0.5%	1 Yr	0.25%
Cane Development	0.20%	2 Yr	0.10%

****No Commission is paid by SDF/GOI for default cases (i.e.) cases where company is in Default for 2 or more Due Dates**



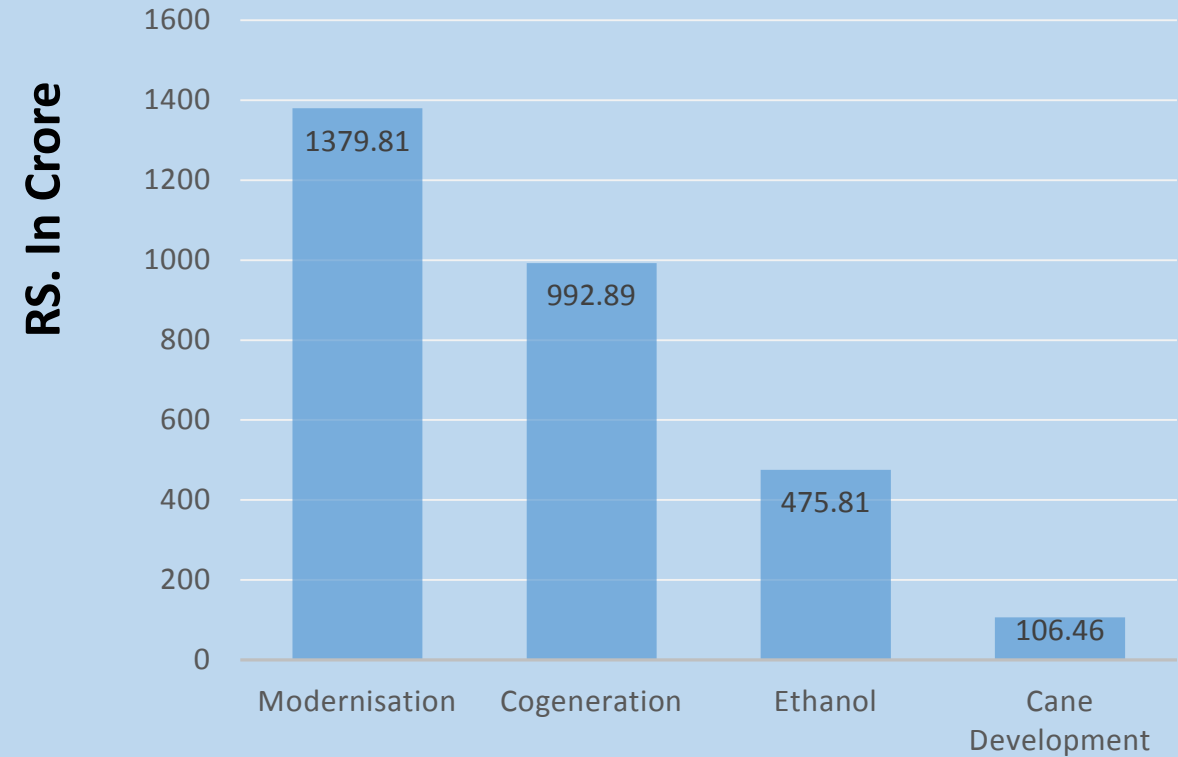
Year wise Commission earned by IFCI

SDF Commission

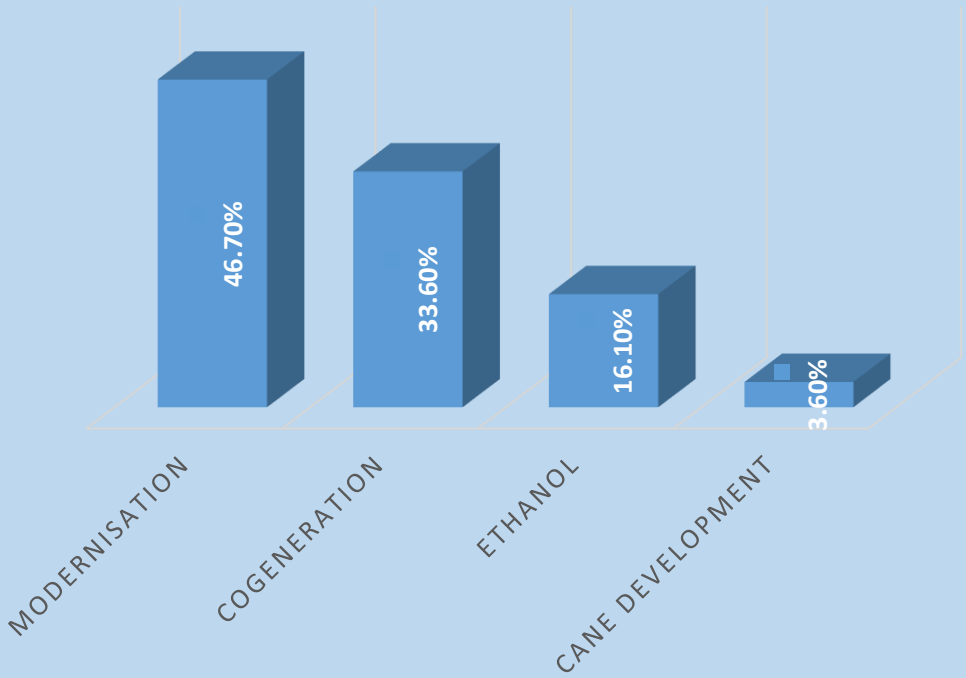


Total Outstanding as on 31-03-2021: Rs. 2954.97 Crore

Facility-wise Outstanding

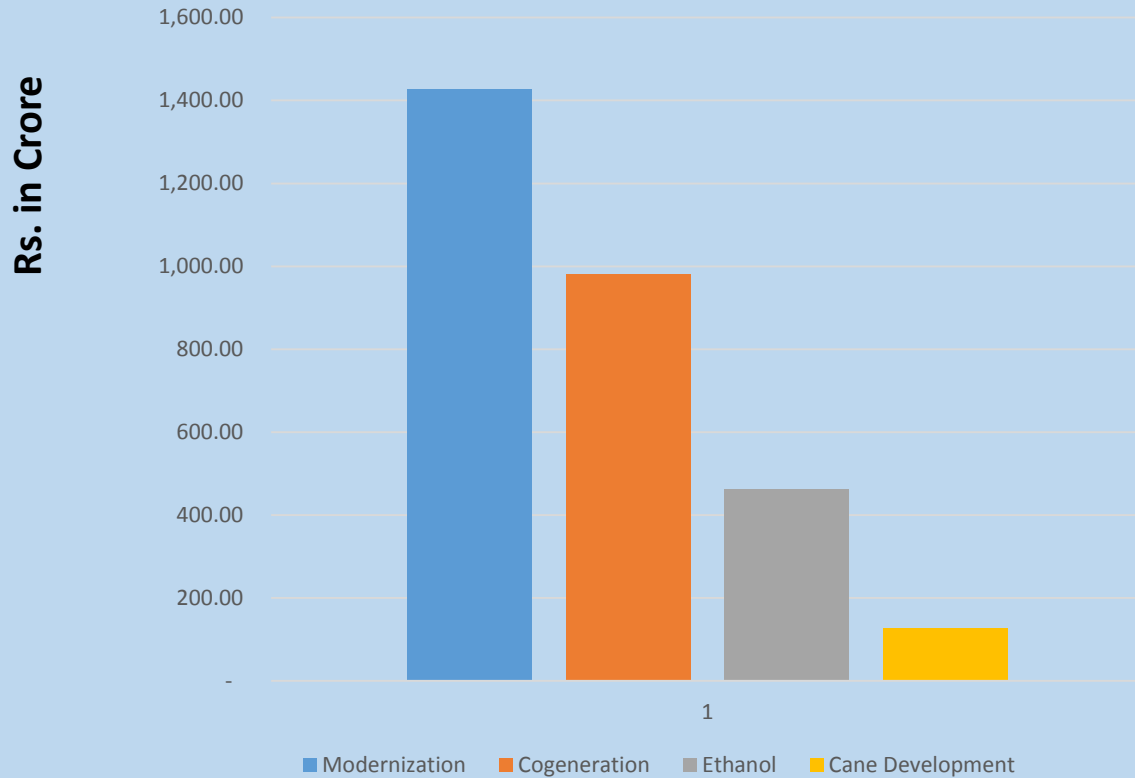


FACILITY-WISE OUTSTANDING(%)

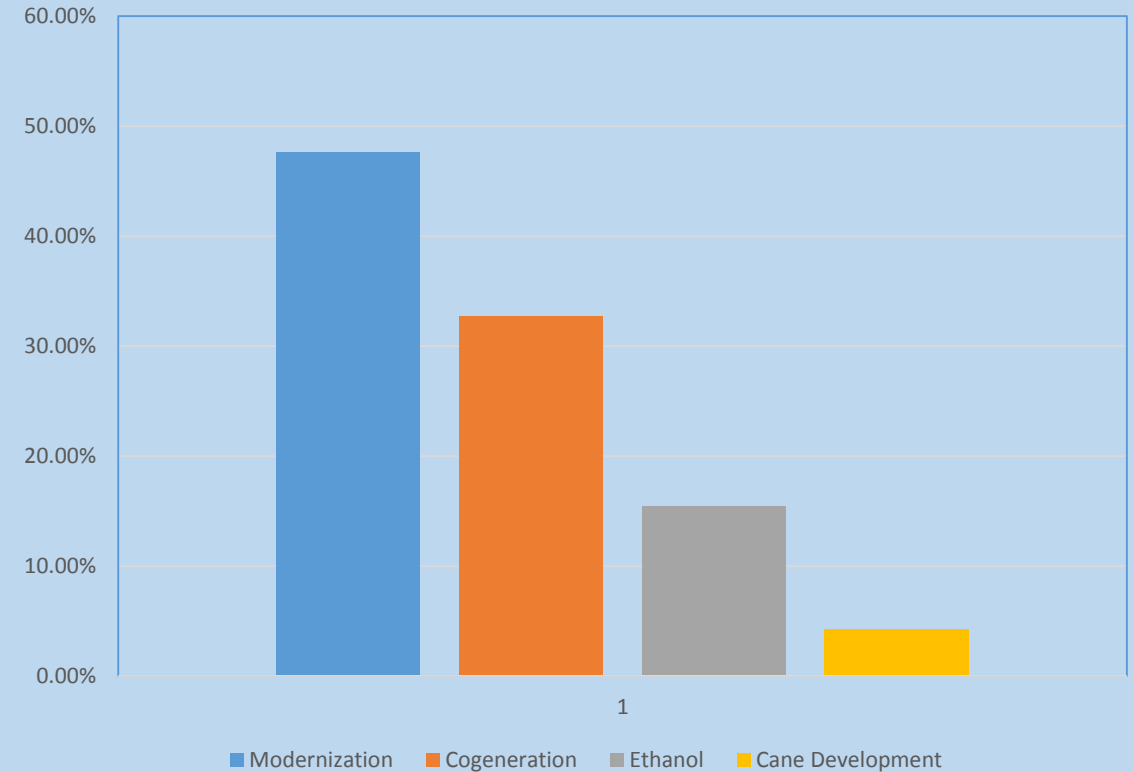


Total Outstanding as on 31-03-2020: Rs. 2992.89 Crore

Facility wise Outstanding SDF Dues (in INR, Crore)



Facility wise Outstanding SDF Dues (in percentage)



Outstanding Position as on 31/03/2021

Rs. In Cr.

S. No.	Particulars	No. of Accounts	Principal Outstanding	Interest Outstanding	Total Outstanding	%
1	Regular Accounts	82	703.03	56.32	759.35	25.70%
2	Accounts with less than 2 defaults	14	206.88	22.21	229.09	7.75%
3	Accounts with 2 or more than 2 defaults	151	856.90	1109.62	1966.52	66.55%
Total		247	1,766.81	1,188.15	2,954.96	100.00%

Status of Default Accounts as on 31/03/2021

S.No.	Particulars	No. of Accounts
1	Legal Action Taken	115
2	Legal Action to be Taken	36*
Total		151

*Loan has been recalled in all 36 accounts.



SDF Accounts – Overview (as on 31/03/2021)

Period	No. of Regular Accounts	No. of Default Accounts	Total No. of Accounts	Default Amount in crore	Security
Prior to 30/06/2013	17	77	94	1221.90	Loans are originally secured by way of second charge
After 30/06/2013	65	88	153	680.70	Loans are mainly secured by way of First pari-passu charge
Total	82	165	247	1902.60	



Challenges for Sugar Factory



- Cyclical Industry
- Low Yield of Sugarcane
- Old and obsolete machinery
- Low rate of recovery
- Low per capita consumption
- Short crushing season
- Fluctuating Production Trends
- Mismatch between cost of production and sale price



Thank You

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