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The Ministry of Consumer Affairs, Food, and Public Distribution Issued Numerous Notifications in Regard to the Amendment of the Ethanol Interest Subvention Scheme of DFPD

On 03rd February 2023, the Ministry of Consumer Affairs, Food, and Public Distribution issued numerous notifications in regard to the amendment of the Ethanol Interest Subvention Scheme of DFPD.

Notification F. No. 1(10)/2018-SP-I. was issued in regard to the amendment of the “Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity”, issued on 19th July 2018, which was subsequently amended.

The notification states that Para 7 and Para 8 of the notification issued on 19th July 2018 are to be read as under -

Para 7: Project Completion Certificate -

“The concerned distilleries with sugar mills shall submit Consent to Operate duly issued by the Central Pollution Control Board/ State Pollution Control Board/ Competent Authority of State Government. Sugar mills availing loans to establish new distilleries shall submit a certificate duly verified by the concerned State Government Authority or the Chartered Engineer certifying that the new distillery has been installed and has commenced production of ethanol and zero liquid discharge (ZLD) has been achieved through the method proposed at the time of submitting the application for such purpose. Any failure to submit such certificates shall lead to non-reimbursement of interest subvention by the Central Government.”

Para 8: Utilisation Certificate -

“The concerned sugar mills shall submit a utilisation certificate for the sanctioned loan amount within 6 months of the completion of the project, duly certified by the Chartered Accountant, certifying that the loan amount has been utilised for the purpose specified in the scheme. For cases where the Utilization Certificate has been submitted beyond 6 months of completion of the project, such cases will be considered based on justified reasons and relaxation, if any, for the delay in submission of Utilization Certificate would be considered by DFPD on the merit of such cases. Any failure to submit the utilisation certificate shall lead to non-reimbursement of interest subvention by the Central Government.

The Ministry issued another notification in regard to the amendment of the “Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity” issued on 09th September 2020, which was subsequently amended.

Para 8 and para 9 of the notification issued on 15th September 2020 may be read as under -

Para 8: Project Completion Certificate -

“The concerned new entrepreneurs/molasses-based stand-alone distilleries shall submit Consent to Operate duly issued by the Central Pollution Control Board/ State Pollution Control Board/ Competent Authority of State Government.

The molasses-based standalone distilleries availing loan to establish new distilleries or expansion of the existing distilleries shall submit a certificate duly verified by the concerned State Government Authority or the Chartered Engineer certifying that the new distillery or expansion of the existing distillery has been installed/ completed. Production/enhanced ethanol production has commenced, and zero liquid discharge (ZLD) has been achieved through the method proposed when submitting an application for such a purpose. Any failure to submit such certificates shall lead to non-reimbursement of interest subvention by the Central Government.”

Para 9: Utilisation Certificate -

“The concerned molasses-based standalone distilleries shall submit a utilisation certificate for the sanctioned loan amount within 6 months of the completion of the project, duly certified by the Chartered Accountant, certifying that the loan amount has been utilised for the purpose specified in the scheme. For cases where the Utilization Certificate has been submitted beyond 6 months of completion of the project, such cases will be considered based on justified reasons and relaxation, if any, for the delay in submission of the Utilization Certificate would be considered by DFPD on the merit of such cases. Any failure to submit the utilisation certificate shall lead to non-reimbursement of interest subvention by the Central Government.”

The Ministry further issued another notification in regard to the amendment of the “Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity”, issued on 19th July 2018, which was subsequently amended.

Para 8 and Para 9 of the notification issued on 15th September 2020 are to be read as under -

Para 8: Project Completion Certificate -

“The concerned new entrepreneurs/molasses-based stand-alone distilleries shall submit Consent to Operate duly issued by the Central Pollution Control Board/ State Pollution Control Board/ Competent Authority of State Government. The molasses-based standalone distilleries availing loan to establish new distilleries or expansion of the existing distilleries shall submit a certificate duly verified by the concerned State Government Authority or the Chartered Engineer certifying that the new distillery or expansion of the existing distillery has been installed/completed. Production/enhanced ethanol production has commenced, and zero liquid discharge (ZLD) has been achieved through the method proposed when submitting an application for such a purpose. Any failure to submit such certificates shall lead to non-reimbursement of interest subvention by the Central Government.”

Para 9: Utilisation Certificate -

“The concerned molasses-based standalone distilleries shall submit a utilisation certificate for the sanctioned loan amount within 6 months of the completion of the project, duly certified by the Chartered Accountant, certifying that the loan amount has been utilised for the purpose specified in the scheme.

For cases where the Utilization Certificate has been submitted beyond 6 months of completion of the project, such cases will be considered based on justified reasons and relaxation, if any, for the delay in submission of the Utilization Certificate would be considered by DFPD on the merit of such cases. Any failure to submit the utilisation certificate shall lead to non-reimbursement of interest subvention by the Central Government.”

The Ministry further issued another notification in regard to the amendment of the “Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity”, issued on 19th July 2018, which was subsequently amended.

Para 8 and Para 9 of the notification issued on 15th September 2020 are to be read as under -

“The concerned molasses-based stand-alone distilleries shall submit Consent to Operate duly issued by the Central Pollution Control Board/ State Pollution Control Board/ Competent Authority of State Government. The molasses-based stand-alone distilleries availing loan to establish new distilleries or expansion of the existing distilleries shall submit a certificate duly verified by the concerned State Government Authority or the Chartered Engineer certifying that the new distillery or expansion of the existing distillery has been installed/ completed and production/enhanced production of ethanol has commenced and zero liquid discharge (ZLD) has been achieved through the method proposed at the time of submitting the application for such purpose. Any failure to submit such certificates shall lead to non-reimbursement of interest subvention by the Central Government.”

Para 9: Utilisation Certificate -

“The concerned molasses-based stand-alone distilleries shall submit a utilisation certificate for the sanctioned loan amount within 6 months of the completion of the project, duly certified by the Chartered Accountant, certifying that the loan amount has been utilised for the purpose specified in the scheme. For cases where the Utilization Certificate has been submitted beyond 6 months of completion of the project, such cases will be considered based on justified reasons and relaxation, if any, for the delay in submission of Utilization Certificate would be considered by DFPD on the merit of such cases. Any failure to submit the utilisation certificate shall lead to non-reimbursement of interest subvention by the Central Government.”

The Ministry issued yet another notification in regard to the “Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity”, issued on 08th March 2019, which was subsequently amended.

Para 8 and Para 9 of the notification issued on 08th March 2019 may be read as under -

Para 8: Project Completion Certificate -

“The concerned molasses-based stand-alone distilleries shall submit Consent to Operate duly issued by the Central Pollution Control Board/ State Pollution Control Board/ Competent Authority of State Government. The molasses-based stand-alone distilleries availing loan to establish new distilleries or expansion of the existing distilleries shall submit a certificate duly verified by the concerned State Government Authority or the Chartered Engineer certifying that the new distillery or expansion of the existing distillery has been installed/ completed and production/enhanced production of ethanol has commenced and zero liquid discharge (ZLD) has been achieved through the method proposed at the time of submitting the application for such purpose. Any failure to submit such certificates shall lead to non-reimbursement of interest subvention by the Central Government.”

Para 9: Utilisation Certificate -

“The concerned molasses-based stand-alone distilleries shall submit a utilisation certificate for the sanctioned loan amount within 6 months of the completion of the project, duly certified by the Chartered Accountant, certifying that the loan amount has been utilised for the purpose specified in the scheme. For cases where the Utilization Certificate has been submitted beyond 6 months of completion of the project, such cases will be considered based on justified reasons and relaxation, if any, for the delay in submission of Utilization Certificate would be considered by DFPD on the merit of such cases. Any failure to submit the utilisation certificate shall lead to non-reimbursement of interest subvention by the Central Government.”

The Ministry further has issued yet another notification in regard to the “Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity”, issued on 08th March 2019, which was subsequently amended.

Para 8 and Para 9 of the notification issued on 08th March 2019 may be read as under -

Para 8: Project Completion Certificate -

“The concerned molasses-based stand-alone distilleries shall submit Consent to Operate duly issued by the Central Pollution Control Board/ State Pollution Control Board/ Competent Authority of State Government. The molasses-based stand-alone distilleries availing loan to establish new distilleries or expansion of the existing distilleries shall submit a certificate duly verified by the concerned State Government Authority or the Chartered Engineer certifying that the new distillery or expansion of the existing distillery has been installed/ completed and production/enhanced production of ethanol has commenced and zero liquid discharge (ZLD) has been achieved through the method proposed at the time of submitting the application for such purpose. Any failure to submit such certificates shall lead to non-reimbursement of interest subvention by the Central Government.”

Para 9: Utilization Certificate -

“The concerned molasses-based stand-alone distilleries shall submit a utilisation certificate for the sanctioned loan amount within 6 months of the completion of the project, duly certified by the Chartered Accountant, certifying that the loan amount has been utilised for the purpose specified in the scheme. For cases where the Utilization Certificate has been submitted beyond 6 months of completion of the project, such cases will be considered based on justified reasons and relaxation, if any, for the delay in submission of Utilization Certificate would be considered by DFPD on the merit of such cases. Any failure to submit the utilisation certificate shall lead to non-reimbursement of interest subvention by the Central Government.”



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