F.No. 1(14)/2019-SP.I
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution (DFPD)

Krishi Bhawan, New Delhi
Dated the 18th February, 2020

To

The CEO/MD/GM
(All Sugar Mills)

Subject : **Guidelines to review export performance of sugar mills against Maximum Admissible Export Quantity (MAEQ) for export during Sugar Season 2019-20-reg.**

Madam/Sir,

The Central Government, with a view to facilitate export of sugar during the sugar season 2019-20 and to improve the liquidity position of sugar mills and thereby enabling them to clear cane price dues of farmers for sugar season 2019-20, has notified on 12.09.2019 a Scheme for providing assistance to sugar mills for expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar.

2. Subsequently, this Department vide order dated 16.09.2019, has allocated mill-wise MAEQ of 60 Lakh MT of sugar for export during the current sugar season 2019-20.

3. Pursuant to the Clause 10 of the said Notification, DFPD vide letter dated 03.1.2020 has issued guidelines to review export performance of sugar mills against MAEQ for export of sugar during the sugar season 2019-20. The guidelines have been further reviewed by DFPD and following modifications have been made in the guidelines:

(i) Para-5(ii) of the guidelines dated 03.1.2020 may be read as under:

"Those sugar mills which have not even contracted 25% quantity of their MAEQ by 31.01.2020, 20% of their MAEQ would be deducted from their quota and the same would be re-allocated amongst those sugar mills which have already contracted at least 75% of their initial MAEQ and have lifted 25% of their MAEQ for **export by 31.12.2019** and which have requested for more quantity ."

(ii) Para-5(iii) of the guidelines dated 03.1.2020 may be read as under:
"Review of export performance of sugar mills would be again done by DFPD in the first week of April, 2020. In respect of those sugar mills which have not contracted **at least 50%**

of their initial MAEQ and have not lifted atleast 25% of their original MAEQ for export till 31.03.2020, 40% of their MAEQ may be deducted and be redistributed amongst those sugar mills which have contracted atleast 95% of their initial MAEQ and have lifted 50% of their MAEQ for export by 31.03.2020 and which have requested for more quantity."

(iii) Para-5(iv) of the guidelines dated 03.1.2020 may be read as under:

"Further review of export performance of sugar mills may be done by DFPD in the first week of July, 2020. In respect of those sugar mills **which have not contracted at least 75% of their original MAEQ** and have not lifted atleast **50% of their original MAEQ for export till** 30.06.2020, **then the quantity which they have not contracted out of their original MAEQ would be deducted** and be redistributed amongst those sugar mills which have contracted atleast 95% of their original MAEQ and have also lifted atleast 95% of their initial MAEQ for export by 30.06.2020 and which have requested for more quantity."

(iv) The additional MAEQ being allocated to sugar mills would be treated separately from the initial MAEQ allocated vide order dated 16.9.2019 for the purpose of calculating assistance.

(v) In order to re-assess the export performance of sugar mills, the mills would be required to submit a quarterly report in the proforma prescribed vide guidelines dated 03.1.2020 and information sought vide letter dated 30.01.2020 (along with a copy of contract signed for export of sugar) **by 3rd February, 2020** in respect of first reallocation to be done in terms of para 3(i) above; **by 3rd April, 2020** in respect of second re-allocation to be done in terms of para 3(ii) above; **by 3rd July, 2020** in respect of third reallocation to be done in terms of para 3(iii) above. **The said information may be sent through email at: *dtesug.fpd@nic.in.*** If a sugar mill does not submit its report of export performance by the cut-off date, it would be presumed that the concerned sugar mill has not signed any contract or exported any quantity at all and accordingly deductions would be made from their MAEQ and reallocated as per the guidelines.

(vi) Those sugar mills which do not intend to export their MAEQ, partly or fully, may relinquish the quantity which could not be exported by them by 31.03.2020 positively. In case the mills do not relinquish such un-exported quantity by 31.03.2020 and they also fails to export that quantity by 30.09.2020 , then such mills would not be entitled for their claim for 3rd and 4th quarter under the Scheme for creation and maintenance of buffer stock of sugar of 40 LMT notified by DFPD on 31.7.2019.

Yours faithfully,

(Jitender Juyal)
Under Secretary to the Government of India
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