

F.No. 1(18)/2018-SP-I
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution

Krishi Bhawan, New Delhi
Dated the 6th August, 2020

To,

The CEO/MD/GM
(All Sugar Mills)

Subject: Clarification regarding supply of sugar by sugar mills to Special Economic Zone refinery as a compliance of MAEQ Order dated 16.09.2019 for 2019-20 sugar season.

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 a Scheme on 12.09.2019 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. 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.

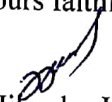
2. The matter regarding supply of sugar by sugar mills to Special Economic Zone refinery as a compliance of MAEQ Order dated 16.09.2019 for 2019-20 sugar season has been examined in the Department. It is clarified that supply of raw sugar/white sugar by sugar mills to refinery located at Special Economic Zone (SEZ) is considered to be export for the purpose of fulfillment of Maximum Admissible Export Quantity (MAEQ) allocated for the current sugar season 2019-20 vide order dated 16th September, 2019; and is covered under the 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 for export of sugar notified on 12.09.2019.

3. Such sugar mills supplying sugar to SEZ refinery are eligible for receiving assistance under 3(i)(c) towards ocean freight for exports to SEZ refinery in addition to the assistance under 3(i)(a) and 3(i)(b) of the scheme notification dated 12.09.2019, subject to the condition that the refined sugar produced by SEZ refinery is exported through sea / ocean .

4. Further, following documents are required to be submitted by sugar mills as a proof of supply of sugar to SEZ refinery and for further export to the destination country for the purpose of discharge of their MAEQ:-

- i. GSTR-1 of the source sugar mill.
- ii. Self certified copies of all the shipping Bills indicating Let Export Order (LEO) date, name of the MAEQ holder sugar mill and the mill from which sugar has been sourced.
- iii. Bill of lading indicating port of discharge and the port of destination along with exporter and importer names.
- iv. Bi-Partite/tri-partite agreement between/amongst quota holder sugar mill, merchant/manufacturer exporter/ SEZ refinery and the source sugar mill from which sugar have been sourced for export to SEZ refinery, as the case may be.
- v. An undertaking on a non-judicial stamp paper from the source sugar mill indicating the factory-wise MAEQ utilized for supply of sugar to SEZ refinery from its factory.
- vi. An undertaking from the exporter / SEZ refinery indicating the shipping bill-wise quantity utilized for export against the MAEQ of applicant sugar mill.
- vii. Bill of Export with an endorsement of the Authorized Officer of SEZ that the goods have been admitted in full in the Special Economic Zone.
- viii. Tax Invoice- duly captioned as SEZ cargo.
- ix. Affidavit in Non-Judicial stamp paper of Rs. 50 indicating that the exports are not under advance license.
- x. An undertaking on a non-judicial stamp paper from the SEZ refinery declaring that the quantity of refined sugar has been exported through sea/ocean by sourcing raw/white sugar from the domestic sugar mills clearly indicating the name of MAEQ holder (s) and raw/white sugar manufacturer(s).
- xi. The sugar mill concerned shall submit bank certificates of export and realization by the bank for the exports made within 120 days from the date of release of assistance.

Yours faithfully,


(Jitender Juyal)

Under Secretary to the Govt. of India
Ph. No. : 23097059

Copy to :

- i. ISMA / NFCSF / ISEC / AISTA
- ii. MD, E.I.D. Parry (India) Ltd.,