

**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC  
DISTRIBUTION**

**(Department of Food and Public Distribution)**

**NOTIFICATION**

**New Delhi, the 5<sup>th</sup> October, 2018**

No. 1(14)/2018-S.P.-I – The Central Government, with a view to facilitate export of sugar during the sugar season 2018-19 thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers for sugar season 2018-19, hereby notifies the Scheme for defraying expenditure towards internal transport, freight, handling and other charges on export as under:

**1. Purpose of Assistance:**

The funds to be provided as assistance to facilitate export is to be used for payment of cane price dues of farmers for the sugar season 2018-19 relating to the Fair and Remunerative Price (FRP) of sugarcane fixed by the Central Government for that sugar season and cane price arrears of previous sugar seasons.

**2. Eligibility:**

Mills which fulfill the following conditions will be eligible for assistance under this Scheme:

- (a) Mills having ethanol production capacity and who have signed contracts with Oil Marketing Companies (OMCs) for supply of ethanol, should have supplied at least 80% of indented quantity of ethanol under Ethanol Blended with Petrol Programme (EBP) to OMCs during 2018-19 Ethanol Season (ES) up to the preceding month during which the claim is submitted to DFPD on completion of other requisite parameters.
- (b) The mill should have filed updated online return in Proforma-II relating to data on crushing of cane, production of sugar, sale of sugar and by-products, etc as prescribed by DFPD under the provisions of Sugar (Control) Order, 1966.
- (c) The mill should have fully complied with all the orders/directives of Department of Food and Public Distribution (DFPD) to the sugar mills for compliance during sugar season 2018-19 till the date of submission of the claim.

### **3. Modalities and Extent of Assistance:**

(i) Sugar mill which has exported domestically manufactured sugar under Open General License but not under “ advance license’ either itself or through an exporter by sourcing sugar from any other factory during sugar season 2018-19, shall be eligible for payment from the Central Government towards internal transport, freight, handling and other charges to facilitate export during the sugar season 2018-19 @ Rs.1000/MT for the mills located within 100 kilometers from the ports, @ Rs.2500/MT for mills located beyond 100 kilometers from the port in coastal states and @ Rs.3000/MT for mills located in other than coastal states or actual expenditure, whichever is lower.

(ii) The assistance is to be used for payment of cane price dues of farmers for the sugar season 2018-19 relating to the Fair and Remunerative Price (FRP) of sugarcane fixed by the Central Government for that sugar season and cane price arrears of previous sugar seasons.

(iii) In order to ensure that the assistance is directly credited into the accounts of farmers, the sugar mill shall open a separate no-lien account in a nationalized bank/cooperative bank and furnish to that bank the list of farmers along with bank accounts details and extent of cane price dues payable to the farmers for the sugar season 2018-19 relating to FRP and cane price arrears of previous sugar seasons, duly certified by the Cane Commissioner / Director of Sugar of the state concerned. The bank shall credit the amount of assistance to the farmers’ accounts on behalf of the mills against cane dues payable and subsequent balance, if any, shall be credited into mill’s account.

(iv) The Department of Financial Services (DFS) shall issue suitable instructions to the banks in this regard.

(v) The sugar mills shall submit the claim for defraying expenditure towards internal transport, freight, handling and other charges on export in the prescribed Proforma-A annexed with this notification after fulfilling the eligibility criteria as referred in para (2) above to the “Chief Director (Sugar), Directorate of Sugar & Vegetable Oils, Department of Food & Public Distribution, Krishi Bhawan, New Delhi”.

(vi) The sugar mill which exported refined sugar through a sugar refinery by way of value addition to raw sugar obtained as input from a domestic sugar manufacturer by invalidation of license issued under Advance Authorization Scheme (AAS), shall be considered to have exported domestically manufactured sugar, and the sugar mill which has originally manufactured the raw sugar shall be eligible to receive assistance



referred to in this scheme in respect of the quantity of refined sugar so exported. The raw sugar manufacturer and the sugar refinery for that purpose shall enter into an agreement, a copy of which shall also be submitted with the claim. This would be in addition to other requisite documents specified in proforma A, clearly indicating the quantity of raw sugar to be supplied and the quantity of refined sugar which shall be produced from the above said raw sugar for exports.

(vii) The claim should be submitted within ninety days from the date of issue of last bank certificate of export and realization by the bank for the exports made. Delayed submissions beyond ninety days but upto a maximum of one hundred eighty days from the date of issue of last bank certificate of export and realization would be allowed, subject to a deduction of 10 per cent of the admissible amount. No claim shall be admissible after one hundred eighty days from the date of ' issue of last bank certificate of export and realization with respect to exports made during the particular month under consideration.

#### **4. Utilization Certificate:**

The sugar mill concerned shall submit utilization certificate duly counter signed by the respective Sugarcane Commissioner / Director (Sugar) within three months from the date of release of assistance certifying that the assistance so released has been utilized for the purpose specified in this Scheme. Any failure to submit the utilization certificate within stipulated time would debar the mill from availing benefit under any other scheme subsequently announced by the Central Government and action will be initiated for recovery of the amount already released.

5. DFPD shall closely monitor the prices of sugar, both in domestic as well as global markets and review the availability position of sugar on monthly basis. DFPD may at any time amend or withdraw the scheme in case prices are assessed to be substantially higher than levels required for operational viability of the industry or on reviewing the availability position of sugar.

6. Where DFPD is of the opinion that it is necessary or expedient to do so, it may, by order and for reasons to be recorded in writing, modify any of the provisions of this scheme.

## PROFORMA - A

### APPLICATION FORM FOR DEFRAIVING EXPENDITURE TOWARDS INTERNAL TRANSPORT, FREIGHT, HANDLING AND OTHER CHARGES ON EXPORT.

1. Details of manufacturer:-

- (a) Name :
- (b) Plant Code and Short Name :
- (c) Complete address :
- (d) Telephone(s) number, Fax number and e. mail :

2. Name and address of exporter :

3. Details of export of sugar :

- (a) Quantity of sugar exported (in tonne) :
- (b) Whether Raw/White/Refined Sugar exported :
- (c) Is the export made under OGL/export of refined sugar from refineries against supply of raw sugar/ advance License against invalidation :

4. Date of issue of last bank certificate of export and realization (Date of issue of BRC)

5. Details of performance achieved by mills in respect of ethanol supply (for mills having ethanol production capacity ) :

- (a) Quantity of ethanol contracted during ES 2018-19 (December, 2018- November, 2019) (in Kilo ltrs) :
- (b) Quantity of ethanol indented by OMCs (in Kilo ltrs) during ES 2018-19 upto the preceding month in which the claim is submitted to DFPD :
- (c) Quantity of ethanol supplied (in Kilo ltrs) during ES 2018-19 upto the preceding month in which the claim is submitted to DFPD :
- (d) Whether updated data in Proforma-II is filed online : Yes/No.
- (e) Whether all Orders/Directives of DFPD have been fully complied with : Yes/No
- (f) (If yes, furnish the supporting documents for each of the directives, duly certified by the concerned State/UT authority for verification)



6. Amount of Claim (in Rs.) :

7. Type of Claim (Tick the type applicable) :

- (a) Export of raw sugar either self or through merchant exporter
- (b) Export of white/refined sugar either self or through merchant exporter
- (c) Exports of refined sugar, manufactured from raw sugar of another factory procured either under open sale or against invalidation of AAS.

8. Details of documents enclosed in connection with sugar export :

- (i) Copies of all the shipping Bills indicating Let Export Order (LEO) date, BRCs, bill of lading.
- (ii) Copies of bills raised by Transporter, CHA/CFS, Railways against Internal Transport and Freight.
- (iii) Copies of bills against Handling Charges.
- (iv) Copies of bills against Insurance and Warehousing Cost
- (v) Copies of bills against other charges.
- (vi) In case of export of refined sugar made by the sugar refinery from raw sugar procured from another factory, copy of agreement between the raw sugar manufacturer and the sugar refinery, authenticated by the Claimant sugar mill.
- (vii) Pre—receipted bill in the prescribed proforma as at Annexure - 1.
- (viii) Affidavit in non-judicial stamp paper of Rs. 50 indicating that the exports are not under advance license.

Place : (Name And designation of authorized signatory of the sugar factory)

Date : (Please indicate the name and affix the seal)

**Annexure-I**

**Statement showing data on Supply of Ethanol to Oil Marketing companies (OMCs) under EBP during 2018-19 Ethanol Season (ES).**

Name of the sugar mill	State	Quantity of ethanol contracted during 2018-19 ES with OMCs (in Kilo ltrs)	Quantity of ethanol indented by OMCs for supply upto the month as referred in para 3(b) of Proforma (in Kilo ltrs)	Quantity of ethanol to OMCs against the quantity indented for the corresponding period (in Kilo ltrs)	Remark
(i)	(ii)	(iii)	(iv)	(v)	(vi)

Place: (signature of authorized signatory of the sugar mill)

Date

(Please indicate the name and designation of the signatory and affix the seal)

**PRE-RECEIVED BILL FOR DEFRAYING EXPENDITURE TOWARDS  
INTERNAL TRANSPORT, FREIGHT, HANDLING AND OTHER CHARGES  
ON EXPORT.**

Name and address of the factory : Plant Code and Short Name.....

Received a sum of Rs. ....(Rupees. ....only)  
from the Department of Food and Public Distribution.

**DECLARATION:**

1. I hereby solemnly affirm and declare that the information furnished above is correct and no relevant information has been concealed thereof.
2. I hereby declare that the above claim is in full and final settlement against defraying expenditure towards internal transport, freight, handling and other charges on export.
3. I hereby certify that sugar mill did not receive reimbursement of expenditure incurred on internal transport, freight, handling and other charges on export from the Government of India for the quantity of sugar exported during the period mentioned at serial number 2 above prior to the submission of this claim.
4. I hereby undertake to refund to the Central Government such amount of claim received by me along with interest, as may be required if any information given in the claim above is found to be incorrect at any time and if the provisions of this notification are not adhered to.
5. I also declare that I am competent to make the foregoing declaration and sign these documents on behalf of the proprietor or partner or company or occupier or owner of the above sugar mill.

Place: (Signature of authorized signatory of the sugar mill)  
(Please indicate the name and designation of the signatory and  
affix the seal)

F No. 1(14)/2018-SP-I

  
( Pramod Kumar Tiwari)

Joint Secretary to the Govt. of India