

F. No. 10-1/(2023)-NSWSPortal (382947)
Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Food and Public Distribution
(Directorate of Sugar & Vegetable Oils)

Krishi Bhawan, New Delhi.
Dated: 14th February, 2024

To,

CEOs/MDs of all Sugar Factories.

Subject: Compliance of imposition of monthly stock holding limits on sugar mills and filling of correct data in the NSW portal.

Sir/Madam,

Kindly refer to this Directorate's letter of even No. dated 23.10.2023 and 14.11.2023 on the above subject. You are well aware that monthly stock holding limits on sugar factories is imposed under the Sugar Price (Control) Order 2018, Sugar (Control) Order, 1966 under the provisions of the Essential Commodities Act 1955 so that sugar prices in the country should remain stable.

2. It has been observed that a few sugar factories are not following the monthly stock holding limit and they are selling either higher or significantly lower quantity (less than 90%) from their monthly quota. Deviation from the monthly stock limits by sugar factories would distort the domestic sugar market and may also interrupt the steps taken by the Government in interest of sugar industry.

3. Apart from the above, while analyzing the GST data related to sale of sugar by the sugar factories, it has also been observed that the domestic sale as given in GST data is not matched with the data mentioned by the sugar factories in P-II form. Also, the sugar factories are using different weighing units like MTS, QTL, KGS, PCS, PKT, BAG, BOX, OTHER etc. while issuing the e-invoice under GST.

4. In view of the above facts, all sugar factories are advised to comply with following guidelines in letter and spirit:

- i. All the sugar factories have to ensure strict compliance of monthly Stock holding limit orders for sale of sugar in the domestic market. Each sugar factory is expected to sell at least 90% of their monthly Release quota.
- ii. Sale of sugar quantity in excess of monthly release quota will be considered as violation of the provisions of the Essential Commodities Act 1955 and the Sugar (Control) Order, 1966 and strict action will be taken against the non-compliant factories.
- iii. It has been decided that in case, a factory fails to sell the quantity upto 90% of the monthly release quota, the difference in the quantity allocated and the quantity sold will be reduced from the release quota of following month. For

example, the mill which sells only 80 MT out of 100 MT quota during a month, and its eligible quantity of quota in following month is 120 MT, its quota for the following month shall be restricted to 80% of the eligible quantity, i.e. 96 MT only. Recurring violations of the monthly release quota may result in stoppage of monthly release quota as well.

- iv. All the sugar factories are requested to fill the correct sales/dispatch data on the NSWS portal as per GSTR1. Strict action will be taken for incorrect information on NSWS portal in respect of sugar and ethanol.
- v. All Sugar factories are advised to fill the Metric Tons (MT) as weighing units for their sales in GSTR1 as this Directorate consider the quantity in MT (metric tons) on NSWS portal as well as monthly release quota and other report formats.

5. All the sugar mills are again advised to ensure strict compliance of monthly Stock holding limit orders issued for sale of sugar in the domestic market and to fill the correct data on the NSWS portal and GSTR1. In case of non-compliance of instructions mentioned in this letter, strict action under the provisions of the Essential Commodities Act, 1955 and Sugar (Control) Order, 1966 would be taken against such sugar mills.

Yours faithfully,



(Sangeet)

Director (Sugar)

Tele: 011-23383760

cdsugar.fpd@nic.in

Copy to:

1. Principal Secretaries (Sugar and Sugarcane Development)/Cooperation of sugar producing States.
2. Cane Commissioners of sugar producing States **with the request to monitor the sale/dispatch of sugar by mills in the domestic market and in case of any violation by mills, States have been directed to take necessary action against the defaulting mills under the provisions of Essential Commodities Act, 1955 under intimation to this Directorate.**
3. ISMA/NFSCF with the request to advise their member sugar mills for strict compliance of stock holding limit and to fill the correct data on NSWS portal.