

# Govt allows export of 2 MT of sugar

PRESS TRUST OF INDIA  
New Delhi, March 29

**THE GOVERNMENT HAS** allowed export of two million tonne of sugar until the end of 2017-18 marketing year, in order to clear surplus stocks and improve cash flow to millers for making payment to sugarcane farmers.

It has also allowed export of white sugar till September 2018 under the Duty Free Import Authorisation (DFIA) scheme, under which exporters are allowed to import sugar at zero duty within two years.

Sugar mills owe ₹13,899 crore to cane growers as on March 21 of the current marketing year (October-September), according to official data.

In its latest order, the food ministry has allowed export of two million tonne of all grades of sugar under the Minimum Indicative Export Quota (MIEQ) scheme in the current marketing year.

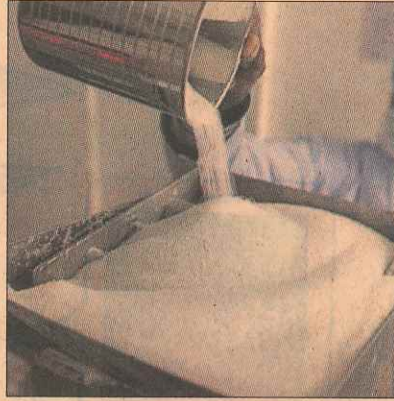
"In view of inventory level with the sugar industry and to facilitate achievement of financial liquidity, mill-wise MIEQ has been fixed for 2017-18 marketing year," the order said.

Under MIEQ, it is mandatory to export the fixed quota, failing which the mills shall be deemed to be violating the directives of the government, it said.

The export quota has been fixed taking into account average production of mills in the last two years and up to February of this marketing year.

Mills can export the quota or get it exported by other mills on mutually agreeable conditions.

The export quota would be over and above the obligations under the Advance



Authorisation Scheme, the order said.

In a separate notification, the Directorate General of Foreign Trade (DGFT) has allowed export of white sugar till September 2018 under the DFIA scheme.

Exporters are allowed to import same quantity of sugar at zero duty between October 2019 and September 2021.

As per official data, mills in Uttar Pradesh have maximum cane price arrear at ₹5,136 crore, followed by Karnataka ₹2,539 crore and Maharashtra ₹2,348 crore as on March 21 this year.

To stabilise domestic prices, the government has doubled import duty on sugar to 100%, scrapped the export duty and also imposed stock limits on sugar mills for two months.

Sugar output is estimated to rise to 27.2 million tonne in the current marketing year, as against the demand of 25 million tonne. India had produced 20.3 million tonne in the 2016-17 marketing year.

Financial Express

30/3/18

✓ K