F.No. 5-1/2024-SC (386427)
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 28th March, 2025

To,

Chief Executive Officers/Managing Directors,
All Sugar Mills

Subject:- Guidelines for compliance of monthly stockholding limit orders and action to be taken against violation of stockholding limits.

Sir,

I am directed to refer to this Directorate's letter dated 26.07.2024, on the above cited subject and reiterate that this Directorate analyses the data submitted by sugar mills through P-II Form on the NSWS portal and the sales data shared by GSTN through API. Analysis of GST data during last few months revealed that some of the groups sugar mills as well as individual sugar mills are repeatedly violating the stockholding limits orders despite repeated directions and deduction from domestic release quota. Also, some group/sugar mills had not filed HSN code-wise details in Table-12 of GSTR1.

2. Non-compliance of monthly Stockholding Limit orders issued under the provisions of Sugar (Control) Order, 1966 read with clause-3 of Essential Commodities Act, 1955, has been viewed seriously and the following action has been decided to be taken against the violators:-

i. If any group/individual sugar mill violates the stockholding limit orders and dispatch more than the prescribed release quota for a particular month, the excess quantity of sugar sold shall be deducted from release quota of subsequent month.
ii. The deduction on account of above mentioned violation shall be increased for repeated violation by the groups/sugar mill, in the following manner:-

Sl. No.	If group/sugar mill violates the stockholding limits in a Sugar Season	Deduction of domestic release quota
1	On 1st instance	100% of the violated quantity
2	On 2nd instance	115% of the violated quantity
3	On 3rd instance	130% of the violated quantity
4	On 4th instance and onwards	150% of the violated quantity

iii. If any group/individual sugar mill dispatch less than 90% of quota for a particular month without intimation till 20th day of the month, the release quota upto the percentage of utilization of quota in the reported month, shall only be allowed.
iv. No domestic release quota of sugar may be allocated to the group/individual sugar mill which haven't provided correct HSN code wise details in Table-12

of their monthly GSTR1.

v. If any sugar mill violates the stockholding limit orders more than two times in a sugar season, the request of the sugar mills shall not be considered for any additional release even after the recommendations by the concerned Cane Commissioner.
vi. No benefit under any scheme of DFPD and DSVO, including export quota, as & when issued, may be granted to the sugar mills which violates stockholding limit orders more than two times in a sugar season, starting from the month of third instance.
vii. The allocation of ethanol procured by OMCs may also be reduced in case of repeated violation of stockholding limit by the sugar mills.
viii. The quantity so deducted shall be distributed among the other compliant group/individual sugar mills while issuing the monthly stockholding orders.
ix. These guidelines shall be effective from 1st April, 2025.

3. All the sugar mills are hereby directed to comply with the monthly Stockholding Limit orders in letter and spirit failing which above mentioned action shall be taken against the non-complaint sugar mills.

Yours faithfully,

28.3.25

(Harit Kumar Shakya)
Joint Director (DSVO)
email: - haritk.shakya@nic.in

Copy to:

1. All Cane Commissioner/Director (Sugar) of sugarcane producing states for information.
2. ISMA/NFSCF to circulate and advise their member sugar mills for strict compliance.