## GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:1345 ANSWERED ON:08.08.2011 BAN ON EXPORT OF SUGAR AND WHEAT

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## Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether a ban has been imposed on the export of Sugar, wheat and its derivative products such as flour and white flour from the country;
- (b) if so, the reasons therefor and if not, the details of the exports to various countries during the last three years, variety-wise, itemwise and country-wise; and
- (c) whether the Government is contemplating the removal of ban on sugar and if so, the details thereof and the reasons therefor?

## **Answer**

## THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

- (a) Currently, there is a ban on the export of wheat. However, the export of sugar and wheat products is allowed subject to certain conditionalities and quantitative restrictions.
- (b-c) Export of agricultural products depends on several factors including availability of surplus, international demand and supply situation, quality standard and price competitiveness. Whenever, there is scarcity or short supply of any product in the domestic market, government prohibits or restricts exports to ensure availability of such products to consumers at reasonable prices.

In view of the adequate availability and stable prices of sugar in the domestic market, the Government has allowed the export of 5 lakh tons of sugar under Open General License (OGL) vide circular no. 3-3/2010-ES/180 dated 19.4.2011. Further, Government has approved export of additional five lakh tons of sugar under OGL on 28.6.2011. Also vide notification no. 61 (RE-2010)/2009-2014 dated 20th July, 2011, the Government has extended the export of wheat products subject to a quantitative restriction of 6.5 lakh tons upto 31st March, 2012.

The details of exports of sugar and wheat products during last three years are given below:-

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(quantity in lakh tons)
Year Sugar (HS Code 1701) Wheat Products (Wheat and Meslin Flour)
(HS Code 1101)

2008-09 33.30 0.09
2009-10 0.43 0.35
2010-11 12.89 0.26

(upto December)

(Source : DGCI&S)
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During 2010-11, the top export destinations for Indian sugar export were Pakistan, Somalia, Sri Lanka, UAE, Myanmar, Oman, Malaysia etc. whereas for wheat products, the top destinations were USA, Australia, UAE, Singapore, Vietnam, UK etc.