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Title: Need to formulate a long term policy on production of ethanol.

SHRI S.D. MANDLIK (KOLHAPUR): In order to bring down the rate of inflation the Hon'ble Finance Minister is likely to take steps to bring down prices of Agricultural commodities. This is having very detrimental effect on the financial condition of farmers. The best example of this policy is sugar.

Our country had sufficient stock of sugar available for sugar export and international price of sugar was also good. However, at that stage sugar export was banned and in consequence the farmers lost a good opportunity of reaping a good price for sugar. As a result sugar stocks also piled up.

Now, the ban has been lifted at a stage when international prices of sugar have crashed. As a result of this policy, the Indian farmers have lost a golden opportunity of getting good sugar price. The Government, therefore, must find a way to compensate farmers for this loss.

In this respect it is noteworthy that most of the sugarcane growing countries have firm policy on ethanol and sugar production. As a matter of fact most of the oil requirement of Brazil is being met through ethanol production and they are now also exporting their ethanol & sugar. While agricultural conditions are similar, India has no firm policy on ethanol and there is no State support.

Through your good office Sir, I urge the Prime Minister and the Agriculture Minister to declare a firm future policy on ethanol production for the benefit of farmers and oblige.