

**CENTRE SHOULD RECONSIDER ITS DECISION ON ETHANOL: CO-OPERATIVE SUGAR MILLS FEDERATION OFFICIAL**

NATIONAL Federation of Cooperative Sugar Factories Limited President Jaiprakash Dandegaonkar on Friday urged the Centre to reconsider its decision to stop the use of sugarcane juice and sugar syrup for ethanol production, as he expressed fear that the move may increase the woes of the sugar industry.

Due to this decision, India may not be able to achieve the 20 per cent ethanol blending target by 2025, he said. Ethanol, a colourless liquid, is blended with fuel as part of the government's initiative to reduce reliance on crude oil imports.

The Union government on Thursday banned the use of 'sugarcane juice and sugar syrup' for ethanol production in the 2023-24 supply year, which started this month, to maintain adequate sugar availability for domestic consumption and to keep prices under check. However, it has allowed use of 'B-molasses', a cane by-product, for ethanol production in 2023-24.

"The government should reconsider its decision or grant higher prices to ethanol and sugar. The country may not be able to achieve the target to blend 20 per cent of ethanol in petrol if this decision continues. This move will push the sugar industry into problems," he told PTI.

Sugar factories cannot survive on sugar production alone. Of the total ethanol produced in the country, 50 to 52 per cent is produced using sugarcane juice. So no other food grain can achieve this, Dandegaonkar said. He added that India has the lowest prices of sugar at present.

"If the sugar industry has to sustain, the government should increase the prices of sugar. There is also a need to give higher prices to ethanol produced from B and C molasses," he said.

"This (decision) is being done to keep the sugar prices low as they (government) think that the production of sugar may go down this year. The government should reconsider this decision or grant higher prices to ethanol and sugar. I have not spoken to anybody at the Centre about it so far. But we may go to Delhi with a delegation next week," he added.

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