

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA
UNSTARRED QUESTION NO. 1698
TO BE ANSWERED ON 30TH JULY, 2025

FRP FOR SUGARCANE PROCUREMENT

1698. SMT. SUPRIYA SULE:
DR. AMOL RAMSING KOLHE:
PROF. VARSHA EKNATH GAIKWAD:
SHRI BHASKAR MURLIDHAR BHAGARE:
SHRI MOHITE PATIL DHAIRYASHEEL RAJSINH:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Government has recently announced a revised Fair and Remunerative Price (FRP) for sugarcane procurement for the current crushing season and if so, the details thereof;
- (b) the impact of the revised FRP on sugarcane farmers in Maharashtra, particularly in districts like Kolhapur, Solapur, Pune, and Ahmednagar, which are among the top producers;
- (c) whether the Government has received any representations or demands from sugarcane farmers or cooperative sugar mills in Maharashtra regarding the adequacy of the new FRP and if so, the details thereof;
- (d) whether the current FRP sufficiently compensates for the rising cost of cultivation, labour, water and inputs borne by farmers in Maharashtra and if so, the details thereof;
- (e) the details of the steps taken by the Government to ensure timely payment of dues to sugarcane farmers in the said State by sugar mills; and
- (f) whether any penalties are imposed on defaulting mills and if so, the details thereof?

ANSWER
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a): Yes. The Government has announced Fair and Remunerative Price (FRP) of sugarcane for ensuing Sugar Season 2025-26 at ₹ 355 per quintal at a basic recovery level of 10.25% providing a premium of ₹ 3.46/qrtl for each 0.1% increase in recovery over and above 10.25% & reduction in FRP by ₹ 3.46/qrtl for every 0.1% decrease in recovery. For the current Sugar Season 2024-25 the FRP of sugarcane has been fixed at ₹ 340 per quintal at a basic recovery level of 10.25%.

(b): FRP recommended by the Commission for Agricultural Costs and Prices (CACP) covers the A2+FL (actual paid-out costs plus imputed family labour) cost of production for all sugarcane producing States and gives a margin of 105.2 percent over the cost of production at the national level.

(c): No.

(d): The FRP is recommended by CACP considering various factors like cost of production of sugarcane, market price of sugar and by-products, sugar recovery rates, reasonable margins for farmers, returns from alternate crops etc.

(e) and (f): Payment of cane dues to farmers is a continuous process and the powers have been delegated and vested with the State Governments/UTs for monitoring the cane price payment position of sugar factories on periodical basis and in case of delay in payments, suitable action is taken by them.

If the FRP amount is not paid or is delayed, action under section 3(8) of the Sugarcane (Control) Order, 1966, can be initiated against the concerned factory by issuing a Revenue Recovery Certificate (RRC) by the State Government.

The Government of Maharashtra has issued 28 RRCs against sugar mills in the State, out of which 16 sugar mills paid 100% FRP. Further, crushing licences for new sugar season is not issued by Government of Maharashtra unless the dues for the previous seasons is paid.
