

existence of the sugarcane in Maharashtra, says Prakash Naravane, MD, Federation of Cooperative Sugar Factories in Maharashtra. Being under the SMP regime, there is no state advised price (SAP) by the state government. He notes that sugar mills in the state have been paying more than the SMP.

Therefore, new FRP of Rs 155 per quintal also will not be a limiting factor. So far the first advance payable within 14 days of cane delivery has been Rs 175 per quintal. For 2009-10, final cane price to cane growers in the state is expected to be in the bracket of Rs 200-250 per quintal," he adds.

Raju Shetty too asserts that the farmers do not stand to lose much with the introduction of FRP during 2009-10 season. "Cane growers have already got the first instalment of Rs 1,800-2,000 per quintal from mills largely due to less availability of sugarcane," says Shetty, MP and representative of Swachhmani Paksha Parliamentary Party. "FRP can be used by mills as a licence to loot the farmers especially during surplus situation. I will strongly oppose the centre's proposed bill on FRP in the winter session of the parliament," he adds.

Similar views were shared by an office bearer of a cooperative mill in the sugarcane-rich Ahmednagar district. "To some extent the sugar prices may remain firm in the 2010-11 season. So, in the light of the so-called realisation of sugar of Rs 3,250 per quintal ex-mill, the FRP of Rs 155 per quintal looks good. But the vicious 'sugar cycle' eventually comes into play, bringing down sugar prices to levels...