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INDIA'S MEASURES TO PROVIDE MARKET PRICE SUPPORT TO SUGARCANE

COMMUNICATION FROM AUSTRALIA PURSUANT TO ARTICLE 18.7
OF THE AGREEMENT ON AGRICULTURE

1 EXECUTIVE SUMMARY

1.1. We continue to have a significant interest in ensuring a transparent and predictable global trading system, underpinned by a shared understanding of Members' obligations under WTO rules. Under Article 18.7 of the Agreement on Agriculture (AoA), we seek further clarification from India on its domestic sugarcane and sugar policies. Historically, as the world's second-largest sugar producer and third-largest exporter,[1] dynamics in India's sugar market have significant implications for both prices and trade in the global market.

1.2. Each sugar season, the Government of India sets the Fair and Remunerative Price (FRP) for sugarcane. The FRP is an administered price that effectively acts as a floor price for sugar mills to pay farmers for sugarcane. In addition, farmers are paid premiums for increased production efficiency, and farmers in some states are eligible for additional payments by sugar mills under specific state-level support, known as State-Advised Prices (SAPs).

1.3. The WTO Panel in the *India – Sugar and Sugarcane* dispute found on 14 December 2021 that India's sugar support regime was inconsistent with its WTO obligations and confirmed India's subsidies were vastly in excess of levels permitted under WTO rules. The Panel's report also provided a refined method for calculating India's level of support for sugar by accounting for state-level subsidy schemes as well as the varying levels of efficiency (of extracting sugar from sugarcane) across India's sugarcane-growing states.

1.4. India appealed the findings of the Panel on 24 December 2021, which has prevented the Panel Report from being adopted by the WTO Dispute Settlement Body. While the status of the Panel Report is not final, the methods outlined in the report provide the most up-to-date guidance from a WTO panel on calculating market price support for sugar. This paper therefore implements the Panel's method for calculating India's market price support and Aggregate Measurement of Support (AMS) for sugarcane.[2]

1.5. India has not included sugarcane, or its derived products, in any of its domestic support notifications since 1995-96. Therefore, there is no information provided to the WTO from the Government of India to compare with the findings of this paper.

1.6. Using the latest publicly available information, this paper compiles data on India's market price support for sugarcane over the period 2018-19 to 2024-25. When read alongside the Panel Report's finding for India's market price support for sugarcane over the period 2014-15 to 2018-19, we are able to generate a picture covering 11 years.[3]

1.7. Market price support has been calculated in accordance with the domestic support provisions of Annex 3 of the AoA. Under Article 6, paragraph 4 of the AoA, India is limited to providing a

[1] USDA Foreign Agricultural Service (December 2025), Sugar: World Markets and Trade: https://www.fas.usda.gov/sites/default/files/2025-12/sugar.pdf.

[2] Panel Report, *India – Sugar and Sugarcane*, WT/DS579/R, WT/DS580/R, WT/DS581/R and WT/DS581/R/Add.1, circulated to WTO Members 14 December 2021, appealed 24 December 2021.

[3] Panel Report, *India – Sugar and Sugarcane*, para. 7.110.

product-specific AMS for sugarcane no greater than 10% of the total value of production of sugarcane. This follows from the fact that India has no Total AMS (or reduction commitments) in Part IV of its Schedule (XII).

1.8. Based on the evidence outlined in this paper, it appears that over the seven years from 2018-19 to 2024-25,[4] India provided sugarcane AMS vastly in excess of the limits set out in Article 6, paragraph 4 of the AoA (10% of the total value of production of sugarcane):

Table 1: Market Price Support and Value of Production[5]

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
% of value of production	92.49	91.74	94.86	94.79	94.20	90.44	90.18
Market Price Support – Billions, Indian rupee (INR)	1,125.1	1,073.0	1,149.6	1,349.5	1,555.6	1,481.4	1,521.3
Market Price Support – Billions, United States dollar (USD)[6]	15.9	14.6	15.6	17.6	18.9	17.8	17.7

2 INTRODUCTION AND SCOPE OF ANALYSIS

2.1. Under Article 18.7 of the AoA, we are sharing this analysis with India and with other WTO Members to seek further clarification surrounding India's domestic sugarcane and sugar policies, including any potential domestic support implications under the AoA.

2.2. Using Government of India and other public sources, this paper compiles information on India's Current Total AMS for sugarcane over the period 2018-19 to 2024-25. This extends the calculation of India's market price support for sugarcane in the Panel Report by an additional six years and presents a revised estimate for 2020-21 and 2021-22 using updated production data.[7,8,9] This analysis, alongside Australia's original notification covering the period 2011-12 to 2016-17,[10] does not imply that no sugarcane support was provided before 2011-12.

2.3. India has not included sugarcane or sugarcane products in any of its domestic support notifications since marketing year 1995-96 (G/AG/N/IND/1). This paper relies on publicly available information from the Government of India and AGST Supporting Tables submitted by India during the Uruguay Round (G/AG/AGST/IND). The methodology, calculations and findings of this analysis are outlined in the remainder of this paper.

[4] The marketing year for sugarcane in India is October to September. See Table 2.1 of 'Price Policy for Sugarcane 2021-22 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, December 2020, https://cacp.da.gov.in/ViewReports.aspx?Input=2&PageId=41&KeyId=794.

[5] The '% of value of production' for 2020-21 and 2021-22 has been updated to reflect the revised values published in the Government of India's National Accounts Statistics 2025.

[6] USD/INR exchange rates converted using calendar month averages from IMF International Financial Statistics.

[7] For the years 2018-19 to 2021-22, the value of production for sugarcane is based on current prices, 'Statement 8.1.2 - Crop-wise value of output', Chapter 8, National Accounts Statistics 2025, Government of India. Total value of production of sugarcane in India is divided between sub-entries 4.1 (sugarcane) and 4.2(gur), https://www.mospi.gov.in/publications-reports/innerpage/432.

[8] For the years 2022-23 to 2024-25, the value of production for sugarcane is based on current prices, 'Statement 8.1.2 - Crop-wise value of output', Chapter 8, National Accounts Statistics 2026, Government of India - total value of production of sugarcane in India is divided between sub-entries 8.2 (Sugarcane Used As Such) and 8.3 (Gur), https://www.mospi.gov.in/publications-reports/innerpage/2861.

[9] 'All India profile: Crop-wise Production', Unified portal for Agricultural statistics, Department of Agriculture and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, https://upag.gov.in/dash-reports/stateprofile?rtab=Area%2C+Production+%26+Yield&rtype=reports.

[10] G/AG/W/189, India's measures to provide market price support to sugarcane, Communication from Australia pursuant to Article 18.7 of the Agreement on Agriculture, November 2018.

3 BACKGROUND ON INDIA'S SUGARCANE AND SUGAR SECTOR

3.1. As outlined in paragraph 1.1, as the world's second-largest sugar producer and third-largest sugar exporter,[11] dynamics in India's sugar market have significant implications for both prices and trade in the global market.

3.2. The Cabinet Committee on Economic Affairs, on the advice of the Government of India's Department of Food & Public Distribution, has historically set a minimum price under the Sugarcane (Control) Order (1966) (the Order). The Order cites Section 3 of the Essential Commodities Act as its legislative basis. In its Report, the Panel in *India- Sugar and Sugarcane* found that the Essential Commodities Act empowers the Central Government to issue orders "for the control of the production, supply and distribution of, and trade and commerce, in certain commodities". Section 3, titled "Powers to control production, supply, distribution, etc., of essential commodities", grants the power to the Central Government to regulate, inter alia, the production and sale of sugar and sugarcane.[12]

3.3. In October 2009, the Order was amended to replace the concept of a Statutory Minimum Price with a "Fair and Remunerative Price (FRP)" for the 2009-10 and subsequent sugar seasons.

3.4. Clause 3 of the Order refers to a minimum price of sugarcane payable by a producer of sugar. Specifically, Clause 3(1) states:

> *The Central Government may, after consultation with such authorities, bodies or associations as it may deem fit, by notification in the Official Gazette, from time to time,* ***fix the minimum price of sugarcane to be paid by producers of sugar or their agents for the sugarcane purchased by them****... (emphasis added).*

3.5. In addition, the Explanation in the Order states that different prices may be fixed for different areas, qualities or varieties of sugarcane. However, these prices cannot be less than the FRP set by the Government of India. Explanation (2) of Clause 3 states:

> *No person* shall *sell or agree to sell sugarcane to a producer of sugar or his agent, and no such producer or agent shall purchase or agree to purchase sugarcane, at a price lower than that fixed under sub-clause (1)*.

3.6. The Order extends to the whole of India and does not include any quantitative restrictions on the amount of sugarcane eligible to access the programme. The Government of India announces the FRP in the months leading up to the commencement of the Indian sugarcane season. This provides sugarcane producers and sugar millers with time to make commercial decisions regarding the production and milling of sugarcane.

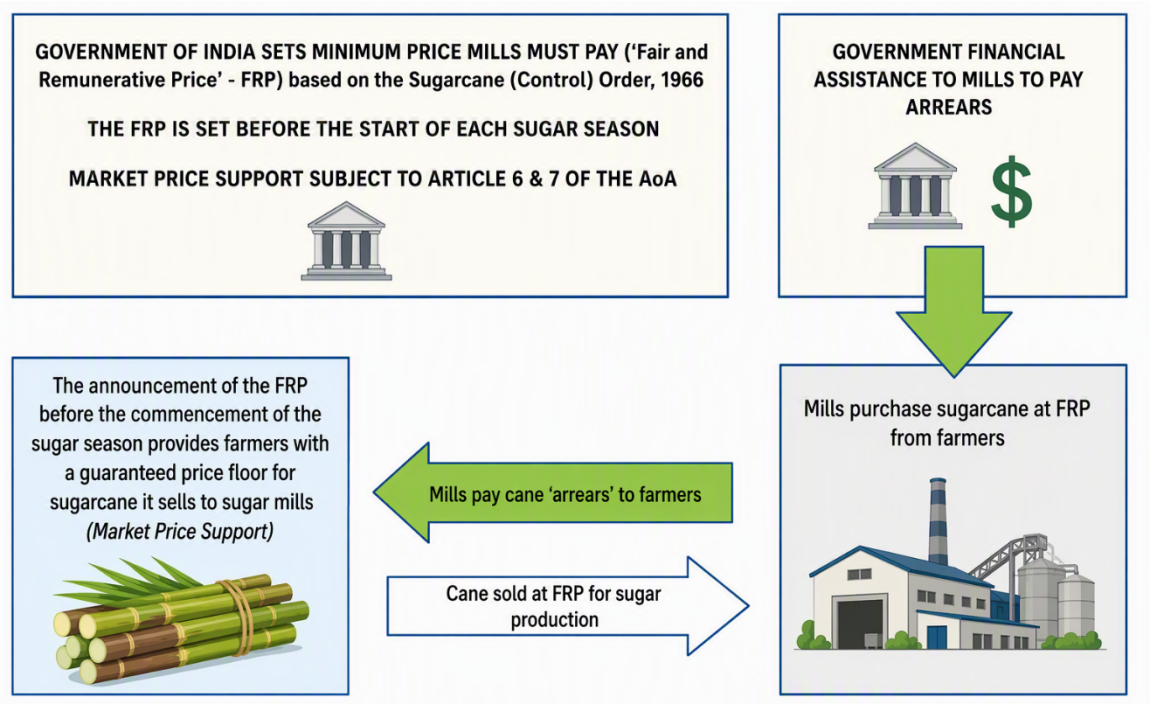
3.7. The FRP acts as a floor price for sugarcane farmers, even when sugar prices fall to levels that would generate sugarcane prices below the FRP. Several of India's states also set SAPs. Sugar producers in these states where an SAP is applied are required to pay the higher price between either the FRP or the SAP. As seen in India's AGST Supporting Tables, the price set by government is the applied administered price (AAP) in the market price support calculation.

3.8. In addition, as the low price of sugar has affected profitability of sugar mills, the Government of India has taken various measures to subsidise the payment of arrears to sugarcane producers for previous sugar seasons. For the purpose of this paper, the analysis excludes the Government of India's financial assistance for arrears payments. Figure 1 below illustrates the flow of payments under the Government of India's sugarcane support policies.

[11] USDA Foreign Agricultural Service (December 2025), Sugar: World Markets and Trade: https://www.fas.usda.gov/sites/default/files/2025-12/sugar.pdf.

[12] Appendix to Panel Report, *India – Sugar and Sugarcane* WT/DS579/R/Suppl.1, para. 2.5. In para. 6.62 of the Panel Report the Panel explained it included findings in an Appendix to provide a clearer and more readable report and noted the legal status of the Appendix as an integral part of the Panel Report.

Figure 1: Government of India sugarcane support policies



4 EXPLANATION OF APPARENT FINDINGS

4.1 AGREEMENT ON AGRICULTURE (AoA) – AMS LIMITS

4.1. Article 7, paragraph 2(b) of the AoA states that "[w]here no Total AMS commitment exists in Part IV of a Member's Schedule, the Member shall not provide support to agricultural producers in excess of the relevant *de minimis* level set out in paragraph 4 of Article 6". India has no Total AMS commitment (or reduction commitments) in Part IV of its Schedule (XII).

4.2. Annex 3, paragraph 1 of the AoA identifies support that "shall" be included in a Member's AMS calculation. It states, "an Aggregate Measurement of Support (AMS) shall be calculated on a product-specific basis for each basic agricultural product receiving market price support, non-exempt direct payments, or any other subsidy not exempted from the reduction commitment ('other non-exempt policies')". In addition, Annex 3, paragraph 7 of the AoA states, "[m]easures directed at agricultural processors shall be included to the extent that such measures benefit the producers of the basic agricultural products."

4.3. Therefore, India's market price support for sugarcane through the mandating of the FRP and SAPs is a form of non-exempt domestic support, given that sugar mills are required to pay cane farmers the AAP, and this market price support must be included in India's sugarcane AMS (see Figure 1).

4.4. A developing country Member can exclude from Current Total AMS any product-specific AMS that does not exceed 10% of the product's total value of production. This is known as the *de minimis* exemption. If India provides product-specific AMS support for sugarcane in excess of 10% of the annual total value of production of sugarcane, Article 6, paragraph 4 of the AoA does not allow the exemption of that sugarcane AMS from the Current Total AMS.

4.2 PRINCIPLES FOR CALCULATING MARKET PRICE SUPPORT

4.5. The definition of market price support is referenced in Annex 3, paragraph 8 of the AoA:

> [*M*]*arket price support shall be calculated using the gap between a fixed external reference price and the applied administered price multiplied by the quantity of production eligible to receive the applied administered price.*

4.6. Therefore, "market price support" requires a comparison between the "applied administered price" (AAP) and the "fixed external reference price". An administered price is a price fixed by a government to determine domestic market prices. The "fixed external reference price" is defined in Annex 3, paragraph 9 of the AoA, which states that this price "shall be based on the years 1986 to 1988". The difference between the AAP and fixed external reference price is then multiplied by the "quantity of production eligible to receive the applied administered price."

4.7. The calculation provided in Annex 3, paragraph 8 of the AoA for market price support can be re-produced in the following equation:

> *(Applied Administered Price – Fixed External Reference Price) * Quantity of Production Eligible = Value of Market Price Support*

4.8. As previously outlined in G/AG/W/174, the Appellate Body in *Korea – Various Measures on Beef* reached the same understanding of the meaning of "market price support" under Annex 3, paragraph 8 of the AoA.[13] Specifically, the Appellate Body confirmed the Panel's interpretation that "production eligible to receive the applied administered price" has "a different meaning in ordinary usage from production actually purchased".[14] The Appellate Body further defined "eligible" as that which is "fit or entitled to be chosen".[15] It also noted, "[p]roduction actually purchased may often be less than eligible production".[16]

4.9. Thus, "eligible production" within the meaning of Annex 3, paragraph 8 of the AoA, is production that is fit or entitled to receive the applied administered price.

4.3 INDIA'S SUGARCANE MARKET PRICE SUPPORT

4.3.1 Fair and Remunerative Price (FRP)

4.10. In India, the Central Government sets the FRP under the *Essential Commodities Act* (1955) and the Order.

4.11. The FRP is set based on recommendations from the Commission for Agricultural Costs and Prices and in consultation with both the states and industry. To improve production efficiency via higher sugar recoveries, the FRP is payable based on a basic recovery level, which had been 9.5% for each sugar season up to 2017-18,[17] and was increased to 10% from 2018-19 to 2021-22.[18] This was further increased to 10.25% for 2022-23 onwards.[19,20] For every 0.1 percentage point above the basic recovery level, farmers are eligible for an additional premium payment. From 2018-19

[13] Appellate Body Report, *Korea – Measures Affecting Imports of Fresh, Chilled, and Frozen Beef (Korea – Various Measures on Beef)*, WT/DS161/AB/R, WT/DS169/AB/R, adopted 10 January 2001.

[14] Appellate Body Report, *Korea – Various Measures on Beef*, para. 120.

[15] *Ibid*.

[16] *Ibid*.

[17] The sugar recovery level is the percentage of sugar produced relative to the amount of sugarcane crushed.

[18] Media Release – Cabinet approves determination of Fair and Remunerative Price payable by Sugar Mills for 2018-19 sugar season – 18 July 2018, India's Cabinet Committee on Economic Affairs, Press Information Bureau, Government of India, https://pib.gov.in/PressReleasePage.aspx?PRID=1539077.

[19] Media Release - In another farmer's friendly step, Government approves Fair and Remunerative Price of sugarcane payable by Sugar Mills to sugarcane farmers for sugar season 2022-23 – 3 August 2022, India's Cabinet Committee on Economic Affairs, Press Information Bureau, Government of India, https://www.pib.gov.in/PressReleasePage.aspx?PRID=1847997&reg=3&lang=1.

[20] Media Release - Government approves Fair and Remunerative Price of sugarcane payable by Sugar Mills to sugarcane farmers for sugar season 2023-24 – 28 June 2023, India's Cabinet Committee on Economic Affairs, Press Information Bureau, Government of India, https://www.pib.gov.in/PressReleasePage.aspx?PRID=1935899&reg=3&lang=1.

onwards, for every 0.1 percentage point below the recovery level, farmers receive a lower premium, down to a floor recovery rate of 9.5%, below which there are no further reductions.[21,22,23] The premium rate for each season is set and announced annually by the Central Government, based on the recommendations provided by the Commission for Agricultural Costs and Prices.

4.12. We note that the recovery rates[24] across India's major sugarcane-producing states from 2018-19 to 2024-25 were:

Table 2: Recovery rates in individual states (%)

State	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Andhra Pradesh	9.33	9.41	8.95	9.38	9.40	9.00	8.01
Bihar	10.35	11.13	10.03	11.39	11.60	11.70	10.14
Gujarat	10.65	10.75	10.23	10.60	10.70	10.30	10.30
Haryana	10.31	10.55	10.24	9.85	10.10	10.50	9.68
Karnataka	10.25	10.16	9.74	10.91	11.80	10.60	10.50
Maharashtra	10.07	11.54	10.49	11.20	11.30	11.10	10.50
Punjab	10.10	9.76	9.03	9.71	10.60	10.10	9.50
Tamil Nadu	8.90	8.58	8.96	9.26	9.46	8.80	9.20
Telangana	10.21	10.27	10.31	10.78	10.57	10.60	10.70
Uttar Pradesh	10.91	11.74	10.76	11.46	11.40	11.50	10.68
Uttarakhand	10.91	11.21	10.87	10.38	10.12	10.40	10.90

4.13. We adopt the approach taken by the Panel[25] and use as a proxy the recovery rate of 10% as set out in the FRP for each sugar season from 2018-19 to 2021-22 to represent the recovery rate in the states for which recovery rates have not been publicly reported. For 2022-23 and beyond, we have used the 10.25% base recovery rate, set out in the corresponding FRPs announced for each season.

4.14. Accordingly, consistent with the approach taken by the Panel, we find the following AAPs based on the average FRPs for each sugar season from 2018-19 to 2024-25:

[21] Media Release - Cabinet approves Determination of 'Fair and Remunerative Price' of sugarcane payable by sugar mills for 2019-20 sugar season – 24 July 2019, India's Cabinet Committee on Economic Affairs, Press Information Bureau, Government of India, https://pib.gov.in/newsite/PrintRelease.aspx?relid=192184.

[22] Media Release - Cabinet approves Fair and Remunerative Price of sugarcane payable by sugar mills for the sugar season 2020-21 – 19 August 2020, India's Ministry of Consumer Affairs, Food and Public Distribution, Press Information Bureau, Government of India, https://www.pib.gov.in/PressReleasePage.aspx?PRID=1646950&reg=48&lang=2.

[23] Media Release – Government approves determination of Fair and Remunerative Price of sugarcane payable by sugar mills for the sugar season 2021-22 – 25 August 2021, India's Ministry of Consumer Affairs, Good and Public Distribution, Press Information Bureau, Government of India, https://pib.gov.in/PressReleseDetail.aspx?PRID=1748836.

[24] Annex Table 2.7, 'Price Policy for Sugarcane 2026-27 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, November 2025, https://cacp.da.gov.in/Document/EnglishReports/Sugarcane%20report%20final_Dec25_20260506100048275.pdf.

[25] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 3.15.

Table 3: 2018-19 AAP based on the average FRP

State	Base FRP (INR/100 kg)	State recovery rate (%)	FRP basic recovery rate (%)	Excess	Premium rate (INR/100 kg)	Actual premium paid (INR/100 kg)	AAP (INR/tonne)
Andhra Pradesh	261.25	9.33	9.50	-0.17	2.75	0.00	2,612.50
Bihar	275.00	10.35	10.00	0.35	2.75	9.62	2,846.25
Gujarat	275.00	10.65	10.00	0.65	2.75	17.88	2,928.75
Haryana	275.00	10.31	10.00	0.31	2.75	8.53	2,835.25
Karnataka	275.00	10.25	10.00	0.25	2.75	6.88	2,818.75
Maharashtra	275.00	10.07	10.00	0.07	2.75	1.93	2,769.25
Punjab	275.00	10.10	10.00	0.10	2.75	2.75	2,777.50
Tamil Nadu	261.25	8.90	9.50	-0.60	2.75	0.00	2,612.50
Telangana	275.00	10.21	10.00	0.21	2.75	5.78	2,807.75
Uttar Pradesh	275.00	10.91	10.00	0.91	2.75	25.03	3,000.25
Uttarakhand	275.00	10.91	10.00	0.91	2.75	25.03	3,000.25
Other states	275.00	10.00	10.00	0.00	2.75	0.00	2,750.00

Table 4: 2019-20 AAP based on the average FRP

State	Base FRP (INR/100 kg)	State recovery rate (%)	FRP basic recovery rate (%)	Excess	Premium rate (INR/100 kg)	Actual premium paid (INR/100 kg)	AAP INR/tonne)
Andhra Pradesh	261.25	9.41	9.50	-0.09	2.75	0.00	2,612.50
Bihar	275.00	11.13	10.00	1.13	2.75	31.08	3,060.75
Gujarat	275.00	10.75	10.00	0.75	2.75	20.63	2,956.25
Haryana	275.00	10.55	10.00	0.55	2.75	15.13	2,901.25
Karnataka	275.00	10.16	10.00	0.16	2.75	4.40	2,794.00
Maharashtra	275.00	11.54	10.00	1.54	2.75	42.35	3,173.50
Punjab	261.25	9.76	9.50	0.26	2.75	7.15	2,684.00
Tamil Nadu	261.25	8.58	9.50	-0.92	2.75	0.00	2,612.50
Telangana	275.00	10.27	10.00	0.27	2.75	7.42	2,824.25
Uttar Pradesh	275.00	11.74	10.00	1.74	2.75	47.85	3,228.50
Uttarakhand	275.00	11.21	10.00	1.21	2.75	33.28	3,082.75
Other states	275.00	10.00	10.00	0.00	2.75	0.00	2,750.00

Table 5: 2020-21 AAP based on the average FRP

State	Base FRP (INR/100 kg)	State recovery rate (%)	FRP basic recovery rate (%)	Excess	Premium rate (INR/100 kg)	Actual premium paid (INR/100 kg)	AAP INR/tonne)
Andhra Pradesh	270.75	8.95	9.50	-0.55	2.85	0.00	2,707.50
Bihar	285.00	10.03	10.00	0.03	2.85	0.85	2,858.55
Gujarat	285.00	10.23	10.00	0.23	2.85	6.56	2,915.55
Haryana	285.00	10.24	10.00	0.24	2.85	6.84	2,918.40
Karnataka	270.75	9.74	9.50	0.24	2.85	6.84	2,775.90
Maharashtra	285.00	10.49	10.00	0.49	2.85	13.97	2,989.65
Punjab	270.75	9.03	9.50	-0.47	2.85	0.00	2,707.50
Tamil Nadu	270.75	8.96	9.50	-0.54	2.85	0.00	2,707.50
Telangana	285.00	10.31	10.00	0.31	2.85	8.84	2,938.35
Uttar Pradesh	285.00	10.76	10.00	0.76	2.85	21.66	3,066.60
Uttarakhand	285.00	10.87	10.00	0.87	2.85	24.80	3,097.95
Other states	285.00	10.00	10.00	0.00	2.85	0.00	2,850.00

Table 6: 2021-22 AAP based on the average FRP

State	Base FRP (INR/100 kg)	State recovery rate (%)	FRP basic recovery rate (%)	Excess	Premium rate (INR/100 kg)	Actual premium paid (INR/100 kg)	AAP (INR/tonne)
Andhra Pradesh	275.50	9.38	9.50	-0.12	2.90	0.00	2,755.00
Bihar	290.00	11.39	10.00	1.39	2.90	40.31	3,303.10
Gujarat	290.00	10.60	10.00	0.60	2.90	17.40	3,074.00
Haryana	275.50	9.85	9.50	0.35	2.90	10.15	2,856.50
Karnataka	290.00	10.91	10.00	0.91	2.90	26.39	3,163.90
Maharashtra	290.00	11.20	10.00	1.20	2.90	34.80	3,248.00
Punjab	275.50	9.71	9.50	0.21	2.90	6.09	2,815.90
Tamil Nadu	275.50	9.26	9.50	-0.24	2.90	0.00	2,755.00
Telangana	290.00	10.78	10.00	0.78	2.90	22.62	3,126.20
Uttar Pradesh	290.00	11.46	10.00	1.46	2.90	42.34	3,323.40
Uttarakhand	290.00	10.38	10.00	0.38	2.90	11.02	3,010.20
Other states	290.00	10.00	10.00	0.00	2.90	0.00	2,900.00

Table 7: 2022-23 AAP based on the average FRP

State	Base FRP (INR/100 kg)	State recovery rate (%)	FRP basic recovery rate (%)	Excess	Premium rate (INR/100 kg)	Actual premium paid (INR/100 kg)	AAP (INR/tonne)
Andhra Pradesh	282.13	9.40	9.50	-0.10	3.05	0.00	2,821.25
Bihar	305.00	11.60	10.25	1.35	3.05	41.18	3,461.75
Gujarat	305.00	10.70	10.25	0.45	3.05	13.73	3,187.25
Haryana	282.13	10.10	9.50	0.60	3.05	18.30	3,004.25
Karnataka	305.00	11.80	10.25	1.55	3.05	47.28	3,522.75
Maharashtra	305.00	11.30	10.25	1.05	3.05	32.03	3,370.25
Punjab	305.00	10.60	10.25	0.35	3.05	10.68	3,156.75
Tamil Nadu	282.13	9.46	9.50	-0.04	3.05	0.00	2,821.25
Telangana	305.00	10.57	10.25	0.32	3.05	9.76	3,147.60
Uttar Pradesh	305.00	11.40	10.25	1.15	3.05	35.08	3,400.75
Uttarakhand	282.13	10.12	9.50	0.62	3.05	18.91	3,010.35
Other states	305.00	10.25	10.25	0.00	3.05	0.00	3,050.00

Table 8: 2023-24 AAP based on the average FRP

State	Base FRP (INR/100 kg)	State recovery rate (%)	FRP basic recovery rate (%)	Excess	Premium rate (INR/100 kg)	Actual premium paid (INR/100 kg)	AAP (INR/tonne)
Andhra Pradesh	291.98	9.00	9.50	-0.50	3.07	0.00	2,919.75
Bihar	315.00	11.70	10.25	1.45	3.07	44.52	3,595.15
Gujarat	315.00	10.30	10.25	0.05	3.07	1.54	3,165.35
Haryana	315.00	10.50	10.25	0.25	3.07	7.68	3,226.75
Karnataka	315.00	10.60	10.25	0.35	3.07	10.75	3,257.45
Maharashtra	315.00	11.10	10.25	0.85	3.07	26.10	3,410.95
Punjab	291.98	10.10	9.50	0.60	3.07	18.42	3,103.95
Tamil Nadu	291.98	8.80	9.50	-0.70	3.07	0.00	2,919.75
Telangana	315.00	10.60	10.25	0.35	3.07	10.75	3,257.45
Uttar Pradesh	315.00	11.50	10.25	1.25	3.07	38.38	3,533.75
Uttarakhand	315.00	10.40	10.25	0.15	3.07	4.61	3,196.05
Other states	315.00	10.25	10.25	0.00	3.07	0.00	3,150.00

Table 9: 2024-25 AAP based on the average FRP

State	Base FRP (INR/100 kg)	State recovery rate (%)	FRP basic recovery rate (%)	Excess	Premium rate (INR/100 kg)	Actual premium paid (INR/100 kg)	AAP (INR/tonne)
Andhra Pradesh	315.10	8.01	9.50	-1.49	3.32	0.00	3,151.00
Bihar	315.10	10.14	9.50	0.64	3.32	21.25	3,363.48
Gujarat	340.00	10.30	10.25	0.05	3.32	1.66	3,416.60
Haryana	315.10	9.68	9.50	0.18	3.32	5.98	3,210.76
Karnataka	340.00	10.50	10.25	0.25	3.32	8.30	3,483.00
Maharashtra	340.00	10.50	10.25	0.25	3.32	8.30	3,483.00
Punjab	315.10	9.50	9.50	0.00	3.32	0.00	3,151.00
Tamil Nadu	315.10	9.20	9.50	-0.30	3.32	0.00	3,151.00
Telangana	340.00	10.70	10.25	0.45	3.32	14.94	3,549.40
Uttar Pradesh	340.00	10.68	10.25	0.43	3.32	14.28	3,542.76
Uttarakhand	340.00	10.90	10.25	0.65	3.32	21.58	3,615.80
Other states	340.00	10.25	10.25	0.00	3.32	0.00	3,400.00

4.3.2 State-Advised Prices (SAPs)

4.15. As identified by the Panel,[26] from 2018-19 five of India's states maintain SAPs – Bihar, Haryana, Punjab, Uttar Pradesh and Uttarkhand. These five states maintain SAPs that distinguish between different varieties of sugarcane, based on maturity period and quality.

4.16. Tamil Nadu previously implemented an SAP. However, in October 2018 the *Tamil Nadu Sugarcane (Regulation of Purchase Price) Act* was adopted, replacing the SAP with a system of "revenue sharing based sugarcane price."

4.17. On the State of Bihar's SAP, the Panel determined that:

> *The State of Bihar enacted the Bihar Sugarcane (Regulation of Supply and Purchase) Act in 1981 ("Bihar Sugarcane Act"). The Bihar Sugarcane Act contains detailed provisions regulating the supply and purchase of sugarcane by sugar producers. Section 42(2) of the Bihar Sugarcane Act stipulates that the State of Bihar may determine the minimum price to be paid by factories to sugarcane producers and that such price shall not be less than the price set under the Sugarcane Control Order. The Act further states that "[t]he owner of the [sugar factory] shall make payment of the price of cane supplied to it immediately after the supply and on failing to do shall be liable to pay interest at the rate prescribed." Chapter VI of the Act also provides for penalties, including imprisonment, for violations of the provisions of the Act.*[27]

[26] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 2.10.
[27] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 2.11.

4.18. We note that the SAP[28,29,30,31,32] in Bihar for each sugar season from 2018-19 to 2024-25 was:

Table 10: Bihar SAP (INR per 100 kg)

Varieties	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Un-recommended/lower varieties	265	265	272	285	285	300	310
Central/general/normal varieties	290	290	295	315	315	335	345
Early/premium varieties	310	310	315	335	335	355	365

4.19. On the State of Haryana's SAP, the Panel determined that:

> *Until 1966, the State of Haryana was part of the State of Punjab. Pursuant to the Punjab Sugarcane (Regulation of Purchase and Supply) Haryana Amendment Act, 2004 ("Haryana Amendment Act"), Haryana continues to apply the Punjab Sugarcane (Regulation of Purchase and Supply) Act of 1953 ("Punjab Sugarcane Act"). Specifically, we understand that the Haryana Amendment Act makes the entirety of the Punjab Sugarcane Act applicable in the State of Haryana, except for Section 14, which it replaces, and a particular clause in Section 20. Hereafter, we use the term "Haryana Sugarcane Act" to refer to the Act that currently applies in Haryana (i.e. the Punjab Sugarcane Act as modified by the Haryana Amendment Act).*
>
> *Under Section 14 of the Haryana Sugarcane Act, the State Government may, among other things, issue orders regulating the purchase, supply and price of sugarcane in an assigned area. Section 20 of the Haryana Sugarcane Act authorizes the State Government to "make rules to carry out the provisions of this Act", including "the method by which the minimum price of cane is to be fixed under this Act" and "the payment of the price for cane". The Haryana Sugarcane Act also stipulates that "[a]s soon as the cane is supplied to a factory, the occupier of such factory shall be liable to pay the price of cane so supplied" and any violation of the Act (or any rule issued thereunder) is an offence punishable by imprisonment, a fine, or both.*
>
> *In accordance with Section 20 of the Haryana Sugarcane Act, the Haryana Government enacted the Haryana Sugarcane (Regulation of Purchase and Supply) Rules, 1992 ("Haryana Sugarcane Rules"). Section 12 of the Haryana Sugarcane Rules indicates that "[a]n occupier of a factory or agent or purchasing agent of a factory or any person employed by him shall not purchase cane for a factory or pay for it at a price below the minimum price".*[33]

4.20. We note that the SAP[34] in Haryana for each sugar season from 2018-19 to 2024-25 was:

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[28] Refer page 5, Riga Sugar Company Limited, Annual Report 2019-20, https://www.rigasugar.com/ANNUAL%20REPORT%202020.pdf.

[29] Kumar, Madan (19 December 2021) 'Bihar hikes sugar cane purchase price', The Times of India, accessed 15 February 2023, https://timesofindia.indiatimes.com/city/patna/bihar-hikes-sugar-cane-purchase-price/articleshow/88363609.cms.

[30] Waghmode, Vivek (20 December 2021) 'Bihar CM Nitish Kumar announces hike in sugarcane prices', ChiniMandi.com, accessed 27 March 2023, https://www.chinimandi.com/bihar-cm-nitish-kumar-announces-hike-in-sugarcane-prices/.

[31] ChiniMandi (22 January 2024) 'Bihar govt hikes sugarcane price by Rs 20 per quintal', ChiniMandi.com, accessed 17 December 2025, https://www.chinimandi.com/bihar-govt-hikes-sugrcane-price-by-rs-20-per-quintal/.

[32] ChiniMandi (November 26, 2024) 'Sugar season 2024-25: Bihar government increases sugarcane price', ChiniMandi.com, accessed 5 May 2026, https://www.chinimandi.com/sugar-season-2024-25-bihar-government-increases-sugarcane-prices/.

[33] Appendix to Panel Report, *India – Sugar and Sugarcane*, paras. 2.13-15.

[34] Annex Table 2.7, 'Price Policy for Sugarcane 2026-27 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, November 2025, https://cacp.da.gov.in/Document/EnglishReports/Sugarcane%20report%20final_Dec25_20260506100048275.pdf.

Table 11: Haryana SAP (INR per 100 kg)

Varieties	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Normal/late varieties	335	335	335	355	365	379	393
Mid varieties	335	335	335	355	365	379	393
Early varieties	340	340	340	362	372	386	400

4.21. On the State of Punjab's SAP, the Panel determined that:

> *As mentioned above, Section 20 of the Punjab Sugarcane Act provides that "[t]he Government may make rules to carry out the provisions of this Act", including "the method by which the minimum price of cane is to be fixed under this Act", and "the payment of the price for cane." Under Section 9(1) of the Punjab Sugarcane Act, "[a]ny person contravening any of the provisions of [this] Act or any rule made there under, for which no penalty is otherwise provided shall be punishable with [a] fine, which may extend to two thousand rupees."*
>
> *In accordance with Section 20 of the Punjab Sugarcane Act, the State Government of Punjab adopted the Punjab Sugarcane (Regulation of Purchase and Supply) Rules, 1958 ("Punjab Sugarcane Rules"). Section 12 of the Punjab Sugarcane Rules is titled "Minimum Price" and states, inter alia that "[a]n Occupier or agent or purchasing agent or any person employed by him shall not purchase cane for a factory … at a price below the minimum price, if any fixed by law".*[35]

4.22. We note that the SAP[36] in Punjab for each sugar season from 2018-19 to 2024-25 was:

Table 12: Punjab SAP (INR per 100 kg)

Varieties	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Normal/late/lower varieties	295	295	295	360	365	381	391
Mid/medium varieties	300	300	300	360	370	381	391
Early/advance varieties	310	310	310	360	380	391	401

4.23. On the State of Uttar Pradesh's SAP, the Panel determined that:

> *Section 16(1) of The Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953 ("Uttar Pradesh Sugarcane Act") states that "[t]he State Government may, for maintaining supplies, by order, regulate- (a) the distribution, sale or purchase of any cane … in any reserved area or assigned area; and (b) purchase of cane in any area other than a reserved or assigned area." Section 17(1) provides that "[t]he occupier of a factory shall make such provision for speedy payment of the price of cane purchased by him as may be prescribed". Under Section 17(2), "the occupier of a factory shall be liable to pay immediately the price of the cane so supplied". Failure to comply with the obligations under the Uttar Pradesh Sugarcane Act is punishable by a fine, imprisonment, or both. The Supreme Court of India has interpreted the Uttar Pradesh Sugarcane Act as granting the State Government "the regulatory power … to fix the price of the sugarcane".*[37]

[35] Appendix to Panel Report, *India – Sugar and Sugarcane*, paras. 2.17-2.18.

[36] Annex Table 2.7, 'Price Policy for Sugarcane 2026-27 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, November 2025, https://cacp.da.gov.in/Document/EnglishReports/Sugarcane%20report%20final_Dec25_20260506100048275.pdf.

[37] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 2.24.

4.24. We note that the SAP[38], in Uttar Pradesh for each sugar season from 2018-19 to 2024-25 was:

Table 13: Uttar Pradesh SAP (INR per 100 kg)[39]

Varieties	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Rejected/normal varieties	310	310	310	335	335	355	355
Normal/mid varieties	315	315	315	340	340	360	360
Early varieties	325	325	325	350	350	370	370

4.25. On the State of Uttarakhand's SAP, the Panel determined that:

> *We understand that the State of Uttarakhand was previously part of the State of Uttar Pradesh. The Uttarakhand Sugarcane (Regulation of Purchase and Supply) (Amendment) Act, 2013 ("Uttarakhand Amendment Act"), indicates that the Uttar Pradesh Sugarcane Act, as amended, applies in Uttarakhand. Since Sections 16 and 17 of the Uttar Pradesh Sugarcane Act were not amended by the Uttarakhand Amendment Act, we understand that these provisions are also applicable in Uttarakhand.*[40]

4.26. We note that the SAP[41] in Uttarakhand for each sugar season from 2018-19 to 2024-25 was:

Table 14: Uttarakhand SAP (INR per 100 kg)[42]

Varieties	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Rejected/late varieties	310	295	310	295	345	365	365
General/normal varieties	317	317	317	345	345	365	365
Early varieties	327	327	327	355	355	375	375

4.3.3 Applied Administered Price (AAP)

4.27. As outlined in paragraph 3.7 and 4.6, the AAP is a price fixed by policymakers in order to determine domestic market prices. As outlined by the Panel,[43] India's FRP and SAPs constitute AAPs within the meaning of Annex 3, paragraph 8 of the AoA as they constitute prices that are independent of market forces, and are set and maintained by administrative action of the Indian Central and State Governments.

4.28. For the five states which maintain SAPs that distinguish between different varieties of sugarcane, we adopt the approach taken by the Panel[44] and use the SAP set for the middle category

[38] Annex Table 2.7, 'Price Policy for Sugarcane 2026-27 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, November 2025, https://cacp.da.gov.in/Document/EnglishReports/Sugarcane%20report%20final_Dec25_20260506100048275.pdf.

[39] Note that the report 'Price Policy for Sugarcane 2026-27 sugar season' omits the 2021-22 SAP for Uttara Pradesh "Rejected/normal varieties". Data for this year was sourced from Annex Table 2.7, 'Price Policy for Sugarcane 2022-23 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, December 2021, https://cacp.da.gov.in/ViewReports.aspx?Input=2&PageId=41&KeyId=808.

[40] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 2.26.

[41] Annex Table 2.7, 'Price Policy for Sugarcane 2026-27 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, November 2025, https://cacp.da.gov.in/Document/EnglishReports/Sugarcane%20report%20final_Dec25_20260506100048275.pdf.

[42] Note that the report 'Price Policy for Sugarcane 2026-27 sugar season' omits the 2021-22, 2020-21 and 2019-20 SAP data for Uttarakhand's "Rejected/late Varieties". Data for these years was sourced from Annex Table 2.7, 'Price Policy for Sugarcane 2022-23 sugar season', Commission for Agricultural Costs and Prices, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, December 2021, https://cacp.da.gov.in/ViewReports.aspx?Input=2&PageId=41&KeyId=808.

[43] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 2.3.

[44] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 3.20.

of sugarcane varieties. We calculate the following AAP based on the SAPs for each sugar season from 2018-19 to 2024-25.

Table 15: AAP based on the SAPs (INR/tonne)

State	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Bihar	2,900.00	2,900.00	2,950.00	3,150.00	3,150.00	3,350.00	3,450.00
Haryana	3,350.00	3,350.00	3,350.00	3,550.00	3,650.00	3,790.00	3,930.00
Punjab	3,000.00	3,000.00	3,000.00	3,600.00	3,700.00	3,810.00	3,910.00
Uttar Pradesh	3,150.00	3,150.00	3,150.00	3,400.00	3,400.00	3,600.00	3,600.00
Uttarakhand	3,170.00	3,170.00	3,170.00	3,450.00	3,450.00	3,650.00	3,650.00

4.29. For all major sugarcane producing states as well as all other states, we apply the methodology set out above and consistent with the Panel Report.[45] In states where an SAP is applied, sugar producers are required to pay the greater of the FRP or SAP. For all other states, the average FRP constitutes the relevant AAP. It is the case that the SAPs are greater in all states that administered an SAP, across all sugar seasons between 2018-19 and 2024-25, with the exception of Bihar in 2019-20, 2020-21 and 2021-22 and Uttar Pradesh in 2019-20 and 2020-21.

Table 16: AAP (INR/tonne)

State	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Andhra Pradesh	2,612.50	2,612.50	2,707.50	2,755.00	2,821.25	2,919.75	3,151.00
Bihar	2,900.00	3,060.75	2,950.00	3,303.10	3,461.75	3,595.15	3,450.00
Gujarat	2,928.75	2,956.25	2,915.55	3,074.00	3,187.25	3,165.35	3,416.60
Haryana	3,350.00	3,350.00	3,350.00	3,550.00	3,650.00	3,790.00	3,930.00
Karnataka	2,818.75	2,794.00	2,775.90	3,163.90	3,522.75	3,257.45	3,483.00
Maharashtra	2,769.25	3,173.50	2,989.65	3,248.00	3,370.25	3,410.95	3,483.00
Punjab	3,000.00	3,000.00	3,000.00	3,600.00	3,700.00	3,810.00	3,910.00
Tamil Nadu	2,612.50	2,612.50	2,707.50	2,755.00	2,821.25	2,919.75	3,151.00
Telangana	2,807.75	2,824.25	2,938.35	3,126.20	3,147.60	3,257.45	3,549.40
Uttar Pradesh	3,150.00	3,228.50	3,150.00	3,400.00	3,400.75	3,600.00	3,600.00
Uttarakhand	3,170.00	3,170.00	3,170.00	3,450.00	3,450.00	3,650.00	3,650.00
Other states	2,750.00	2,750.00	2,850.00	2,900.00	3,050.00	3,150.00	3,400.00

4.3.4 Fixed External Reference Price (FERP)

4.30. As stated in Annex 3, paragraph 9 of the AoA:

> *The fixed external reference price shall be based on the years 1986 to 1988 and shall generally be the average f.o.b. [free on board] unit value for the basic agricultural product concerned in a net exporting country and the average c.i.f. [cost, insurance and freight] unit value for the basic agricultural product concerned in a net importing country in the base period. The fixed reference price may be adjusted for quality differences as necessary.*

4.31. The sugarcane FERP is included in India's AGST Supporting Tables submitted during the Uruguay Round.[46] Based on the average of the 1986-1989 sugarcane seasons, India's FERP included in Supporting Table A is 156.16 INR/tonne and calculated based on a recovery rate of 8.5%.

4.32. Recovery rates in India today are higher than 8.5%. We adopt the approach taken by the Panel,[47] and in accordance with Annex 3, paragraph 9 of the AoA, adjust the FERP for "quality differences" in order to reflect the different recovery rates in different states today. This is done by replacing the recovery rate of 8.5% (used in India's AGST Supporting Tables) with updated average recovery rates for the states that are major producers (refer paragraph 4.12) and adjusting the FERP accordingly from 2018-19 to 2024-25. Consistent with the approach taken by the Panel, we multiply the average Computed International Price of Sugar indicated in India's AGST Supporting Table A (i.e. INR 1836.38) by the average recovery rate in those states, as follows:

[45] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 3.24.
[46] Supporting Tables Relating to Commitments on Agricultural Products in Part IV of the Schedules (G/AG/AGST/IND - Supporting Table A, pg. 28).
[47] Appendix to Panel Report, *India – Sugar and Sugarcane*, paras. 4.4-4.7.

Table 17: FERP

State	Comp. int. price of sugar (INR/tonne)	2020-21		2021-22		2022-23		2023-24		2024-25	
		Rec. Rate (%)	FERP (INR/ tonne)	Rec. Rate (%)	FERP (INR/ tonne)	Rec. Rate (%)	FERP (INR/ tonne)	Rec. Rate (%)	FERP (INR/ tonne)	Rec. Rate (%)	FERP (INR/ tonne)
Andhra Pradesh	1836.38	8.95	164.36	9.38	172.25	9.40	172.62	9.00	165.27	8.01	147.09
Bihar	1836.38	10.03	184.19	11.39	209.16	11.60	213.02	11.70	214.86	10.14	186.21
Gujarat	1836.38	10.23	187.86	10.60	194.66	10.70	196.49	10.30	189.15	10.30	189.15
Haryana	1836.38	10.24	188.05	9.85	180.88	10.10	185.47	10.50	192.82	9.68	177.76
Karnataka	1836.38	9.74	178.86	10.91	200.35	11.80	216.69	10.60	194.66	10.50	192.82
Maharashtra	1836.38	10.49	192.64	11.20	205.67	11.30	207.51	11.10	203.84	10.50	192.82
Punjab	1836.38	9.03	165.83	9.71	178.31	10.60	194.66	10.10	185.47	9.50	174.46
Tamil Nadu	1836.38	8.96	164.54	9.26	170.05	9.46	173.72	8.80	161.60	9.20	168.95
Telangana	1836.38	10.31	189.33	10.78	197.96	10.57	194.11	10.60	194.66	10.70	196.49
Uttar Pradesh	1836.38	10.76	197.59	11.46	210.45	11.40	209.35	11.50	211.18	10.68	196.13
Uttarakhand	1836.38	10.87	199.61	10.38	190.62	10.12	185.84	10.40	190.98	10.90	200.17
Other states	1836.38	10	183.64	10	183.64	10.25	188.23	10.25	188.23	10.25	188.23

4.3.5 Quantity of Eligible Production (QEP)

4.33. As outlined above, according to Annex 3, paragraph 8 of the AoA, the gap between the AAP and FERP must be multiplied by the '…quantity of production eligible to receive the administered price'.

4.34. The Panel in its Report found that there is no limitation on the quantity of sugarcane that is eligible to be purchased at the AAP in India.[48] In addition, in the *Korea – Various Measures on Beef* dispute, the Appellate Body defined eligible production as that which is "fit or entitled to be chosen".[49] The Appellate Body also shared the Panel's conclusion that "the actual quantity of purchases is not relevant in the calculation of market price support".[50]

4.35. Therefore, eligible production should include all sugarcane eligible to receive the AAP, regardless of whether the sugarcane was actually delivered to sugar mills for crushing under the Order. Based on this information, the analysis has included total Indian sugarcane production. As an administered price, the FRP has an impact on commercial operations of both sugar millers and sugarcane farmers and disrupts the price signals and market forces of supply and demand. Media reporting highlights the distortive effects of AAPs and government incentives, with reports that there is an "increasing shift to safer crops like paddy and sugarcane in anticipation of further hike in minimum support prices (MSP) and other government doles".[51] Furthermore, media reporting indicates that "supportive pricing policies and timely government interventions that have helped ensure regular payments to farmers… [under which] sugarcane production in India increased from about 405 million tonnes in 2020-21 to nearly 455 million tonnes in 2024-25".[52]

4.36. India's AGST Supporting Tables (G/AG/AGST/IND) and 1995-96 domestic support notification (G/AG/N/IND/1) appear to refer to eligible production figures of sugarcane for sugar production only. These figures exclude the proportion of sugarcane that flows to khandsari, gur and other

[48] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 5.5.
[49] Appellate Body Report, *Korea – Various Measures on Beef*, para. 120.
[50] Appellate Body Report, *Korea – Various Measures on Beef*, paras. 119 and 122.
[51] Press Trust of India (18 October 2018) 'Farmers shifting to safer paddy from riskier crops to boost income', Business Standard, accessed 15 February 2023, https://www.business-standard.com/article/economy-policy/farmers-shifting-to-safer-paddy-cane-from-riskier-crops-to-boost-income-118101800703_1.html.
[52] Global Agriculture (18 December 2025) 'India's Sugarcane Story: Rising Output, Stronger Prices and a Changing Regional Map, Global Agriculture, accessed 29 January 2026, https://www.global-agriculture.com/india-region/indias-sugarcane-story-rising-output-stronger-prices-and-a-changing-regional-map/.

feed/seed products.[53] Based on the findings of *Korea-Various Measures on Beef*, it appears as though the incorrect figures for eligible production have been used in both the AGST Supporting Tables and the 1995-96 domestic support notification. While this discrepancy is not a factor over the period from 2018-19 to 2024-25, due to the absence of any reporting of market price support since 1995-96, it is an issue worth highlighting.

4.37. Consistent with the approach taken by the Panel,[54] we use the total quantity of sugarcane production in relevant states for each sugar season from 2018-19 to 2024-25 published by the Directorate of Economics and Statistics and the Department of Agriculture and Farmers Welfare[55] as the QEP:

Table 18: QEP in individual states (thousands of tonnes)

State	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Andhra Pradesh	8,094.6	6,724.0	4,138.6	3,645.4	2,955.7	2,213.9	1,985.3
Bihar	20,116.3	13,578.8	12,109.8	12,025.6	12,742.6	12,084.1	12,149.5
Gujarat	11,326.4	11,570.0	16,954.7	17,459.1	13,461.5	14,480.3	13,714.3
Haryana	8,505.0	7,730.4	8,531.7	8,822.6	8,860.5	7,373.6	5,830.2
Karnataka	42,408.0	38,181.0	42,528.0	61,152.0	59,346.0	41,811.0	48,060.0
Maharashtra	89,768.2	69,311.9	105,137.6	116,076.4	123,968.2	112,087.6	109,970.2
Punjab	7,773.7	7,302.0	7,487.0	7,130.9	7,506.0	7,509.5	7,279.5
Tamil Nadu	17,140.2	14,119.1	13,284.6	16,166.4	17,658.4	15,927.5	13,350.8
Telangana	3,183.6	2,012.9	1,751.0	2,864.6	2,942.7	2,433.1	1,916.2
Uttar Pradesh	179,714.8	179,539.1	178,339.3	179,167.1	224,245.9	215,810.9	220,801.3
Uttarakhand	6,329.3	6,937.7	3,680.0	3,520.0	3,760.0	7,776.0	7,650.2
Other states	11,056.1	13,493.4	11,456.4	11,394.8	13,085.9	13,651.0	11,903.5

4.4 MARKET PRICE SUPPORT

4.38. Having estimated the individual components of the methodology set out in Annex 3, paragraph 8 of the AoA, we proceed to apply that methodology to calculate the amount of market price support provided to sugarcane producers in different states and seasons. We also sum up these state totals to determine the total market price support provided to all sugarcane producers in India during each season.

4.39. For the reasons set out in this Appendix, we conclude that India provided market price support to sugarcane producers, during each sugar season from 2018-19 to 2024-25, as follows:

Table 19: Market price support (2018-19 sugar season)

State	FERP (INR per tonne)	AAP (INR per tonne)	QEP (thousand tonnes)	Market Price Support (millions INR)
Andhra Pradesh	171.33	2,612.50	8,094.6	19,760.30
Bihar	190.07	2,900.00	20,116.3	54,513.83
Gujarat	195.57	2,928.75	11,326.4	30,956.98
Haryana	189.33	3,350.00	8,505.0	26,881.54
Karnataka	188.23	2,818.75	42,408.0	111,555.14
Maharashtra	184.92	2,769.25	89,768.2	231,990.24
Punjab	185.47	3,000.00	7,773.7	21,879.17
Tamil Nadu	163.44	2,612.50	17,140.2	41,977.49
Telangana	187.49	2,807.75	3,183.6	8,341.85
Uttar Pradesh	200.35	3,150.00	179,714.8	530,095.83
Uttarakhand	200.35	3,170.00	6,329.3	18,795.88
Other states	183.64	2,750.00	11,056.1	28,374.06
Total – All India			405,416.2	1,125,122.30

[53] In 1995-96, sugar production was 62% of total sugarcane production (see source: Indira Gandhi Institute of Development Research, November 2013, http://www.igidr.ac.in/pdf/publication/WP-2013-024.pdf.

[54] Appendix to Panel Report, *India – Sugar and Sugarcane*, para. 5.5.

[55] 'All India profile: Crop-wise Production' Unified portal for Agricultural statistics, Department of Agriculture and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, https://upag.gov.in/dash-reports/stateprofile?rtab=Area%2C+Production+%26+Yield&rtype=reports.

Table 20: Market price support (2019-20 sugar season)

State	FERP (INR per tonne)	AAP (INR per tonne)	QEP (thousand tonnes)	Market Price Support (millions INR)
Andhra Pradesh	172.80	2,612.50	6,724.0	16,404.51
Bihar	204.39	3,060.75	13,578.8	38,786.03
Gujarat	197.41	2,956.25	11,570.0	31,919.70
Haryana	193.74	3,350.00	7,730.4	24,399.12
Karnataka	186.58	2,794.00	38,181.0	99,554.05
Maharashtra	211.92	3,173.50	69,311.9	205,272.78
Punjab	179.23	3,000.00	7,302.0	20,597.32
Tamil Nadu	157.56	2,612.50	14,119.1	34,661.49
Telangana	188.60	2,824.25	2,012.9	5,305.22
Uttar Pradesh	215.59	3,228.50	179,539.1	540,934.98
Uttarakhand	205.86	3,170.00	6,937.7	20,564.39
Other states	183.64	2,750.00	13,493.4	34,629.07
Total – All India			370,500.3	1,073,028.66

Table 21: Market price support (2020-21 sugar season)

State	FERP (INR per tonne)	AAP (INR per tonne)	QEP (thousand tonnes)	Market Price Support (millions INR)
Andhra Pradesh	164.36	2,707.50	4,138.6	10,525.16
Bihar	184.19	2,950.00	12,109.8	33,493.43
Gujarat	187.86	2,915.55	16,954.7	46,247.19
Haryana	188.05	3,350.00	8,531.7	26,976.92
Karnataka	178.86	2,775.90	42,528.0	110,446.77
Maharashtra	192.64	2,989.65	105,137.6	294,071.31
Punjab	165.83	3,000.00	7,487.0	21,219.47
Tamil Nadu	164.54	2,707.50	13,284.6	33,782.29
Telangana	189.33	2,938.35	1,751.0	4,813.48
Uttar Pradesh	197.59	3,150.00	178,339.3	526,529.81
Uttarakhand	199.61	3,170.00	3,680.0	10,931.02
Other states	183.64	2,850.00	11,456.4	30,546.80
Total – All India			405,398.7	1,149,583.64

Table 22: Market price support (2021-22 sugar season)

State	FERP (INR per tonne)	AAP (INR per tonne)	QEP (thousand tonnes)	Market Price Support (millions INR)
Andhra Pradesh	172.25	2,755.00	3,645.4	9,415.17
Bihar	209.16	3,303.10	12,025.6	37,206.38
Gujarat	194.66	3,074.00	17,459.1	50,270.78
Haryana	180.88	3,550.00	8,822.6	29,724.27
Karnataka	200.35	3,163.90	61,152.0	181,227.07
Maharashtra	205.67	3,248.00	116,076.4	353,142.18
Punjab	178.31	3,600.00	7,130.9	24,399.64
Tamil Nadu	170.05	2,755.00	16,166.4	41,789.43
Telangana	197.96	3,126.20	2,864.6	8,388.14
Uttar Pradesh	210.45	3,400.00	179,167.1	571,462.58
Uttarakhand	190.62	3,450.00	3,520.0	11,473.03
Other states	183.64	2,900.00	11,394.8	30,952.51
Total – All India			439,424.9	1,349,451.19

Table 23: Market price support (2022-23 sugar season)

State	FERP (INR per tonne)	AAP (INR per tonne)	QEP (thousand tonnes)	Market Price Support (millions INR)
Andhra Pradesh	172.62	2,821.25	2,955.7	7,828.61
Bihar	213.02	3,461.75	12,742.6	41,397.35
Gujarat	196.49	3,187.25	13,461.5	40,259.99
Haryana	185.47	3,650.00	8,860.5	30,697.42
Karnataka	216.69	3,522.75	59,346.0	196,201.27
Maharashtra	207.51	3,370.25	123,968.2	392,078.94
Punjab	194.66	3,700.00	7,506.0	26,311.13
Tamil Nadu	173.72	2,821.25	17,658.4	46,751.08
Telangana	194.11	3,147.60	2,942.7	8,691.30
Uttar Pradesh	209.35	3,400.75	224,245.9	715,658.87
Uttarakhand	185.84	3,450.00	3,760.0	12,273.24
Other states	188.23	3,050.00	13,085.9	37,448.84
Total – All India			490,533.4	1,555,598.04

Table 24: Market price support (2023-24 sugar season)

State	FERP (INR per tonne)	AAP (INR per tonne)	QEP (thousand tonnes)	Market Price Support (millions INR)
Andhra Pradesh	165.27	2,919.75	2,213.9	6,098.00
Bihar	214.86	3,595.15	12,084.1	40,847.80
Gujarat	189.15	3,165.35	14,480.3	43,096.41
Haryana	192.82	3,790.00	7,373.6	26,524.18
Karnataka	194.66	3,257.45	41,811.0	128,058.47
Maharashtra	203.84	3,410.95	112,087.6	359,477.34
Punjab	185.47	3,810.00	7,509.5	27,218.41
Tamil Nadu	161.60	2,919.75	15,927.5	43,930.27
Telangana	194.66	3,257.45	2,433.1	7,452.18
Uttar Pradesh	211.18	3,600.00	215,810.9	731,343.62
Uttarakhand	190.98	3,650.00	7,776.0	26,897.30
Other states	188.23	3,150.00	13,651.0	40,431.18
Total – All India			453,158.5	1,481,375.19

Table 25: Market price support (2024-25 sugar season)

State	FERP (INR per tonne)	AAP (INR per tonne)	QEP (thousand tonnes)	Market Price Support (millions INR)
Andhra Pradesh	147.09	3,151.00	1,985.3	5,963.71
Bihar	186.21	3,450.00	12,149.5	39,653.43
Gujarat	189.15	3,416.60	13,714.3	44,262.35
Haryana	177.76	3,930.00	5,830.2	21,876.34
Karnataka	192.82	3,483.00	48,060.0	158,126.06
Maharashtra	192.82	3,483.00	109,970.2	361,821.70
Punjab	174.46	3,910.00	7,279.5	27,192.82
Tamil Nadu	168.95	3,151.00	13,350.8	39,812.73
Telangana	196.49	3,549.40	1,916.2	6,424.81
Uttar Pradesh	196.13	3,600.00	220,801.3	751,579.84
Uttarakhand	200.17	3,650.00	7,650.2	26,391.96
Other States	188.23	3,400.00	11,903.5	38,231.32
Total – All India			454,611.0	1,521,337.06

4.5 DIFFERENCES WITH INDIA'S CALCULATIONS

4.40. India has not notified the value of its market price support for sugarcane since marketing year 1995-96 (G/AG/N/IND/1). Therefore, direct comparison between India's domestic support notifications and the analysis in this paper is not possible. In India's 1995-96 domestic support notification, total market price support for sugarcane was USD 184 million, with eligible production based on sugarcane for sugar production only.

4.6 EXCHANGE RATE DIFFERENTIAL

4.41. As identified in G/AG/W/174, India's AGST Supporting Tables (G/AG/AGST/IND) are published in INR. However, India's domestic support notifications are denominated in USD. To be consistent with India's scheduled commitments under the AoA, and because the FRP is set in INR, this paper has calculated India's market price support based on INR.

5 CONCLUSION

5.1. We conclude by presenting the calculated market price support as a percentage of the value of production across India over the period 2018-19 to 2024-25[56, 57]:

Table 26: Market Price Support and Value of Production[58]

Marketing Year	Market Price Support (millions INR)	Value of Production (millions INR)	Market Price Support/Value of Production
2018-19	1,125,122	1,216,426	92.49%
2019-20	1,073,029	1,169,617	91.74%
2020-21	1,149,584	1,211,860	94.86%
2021-22	1,349,451	1,423,610	94.79%
2022-23	1,555,598	1,651,450	94.20%
2023-24	1,481,375	1,637,950	90.44%
2024-25	1,521,337	1,687,020	90.18%

5.2. These estimates indicate that over the seven-year period covered by this notification, India has provided sugarcane AMS vastly in excess of the limits set out in Article 6, paragraph 4 of the AoA (10% of the total value of production of sugarcane).

5.3. As referred to in paragraphs 2.3 and 4.4, India has not included sugarcane or sugarcane products in any of its domestic support notifications since marketing year 1995-96. Therefore, direct comparison against India's domestic support notifications is not possible.

5.4. We continue to be ready to engage in discussions with India and other Members regarding the significance of India's market price support and resulting AMS for sugarcane. We are also ready to engage in discussions about the other trade distorting measures that facilitate sugar exports, as detailed in the Panel Report, and their impact on global sugar markets.

[56] For the years 2018-19 to 2021-22, the value of production for sugarcane is based on current prices, 'Statement 8.1.2 – Crop-wise value of output', Chapter 8, National Accounts Statistics 2025, Government of India – total value of production of sugarcane in India is divided between sub-entries 4.1 (sugarcane) and 4.2 (gur), https://www.mospi.gov.in/publications-reports/innerpage/432.

[57] For the years 2022-23 to 2024-25, the value of production for sugarcane is based on current prices, 'Statement 8.1.2 – Crop-wise value of output', Chapter 8, National Accounts Statistics 2026, Government of India – total value of production of sugarcane in India is divided between sub-entries 8.2 (Sugarcane Used As Such) and 8.3 (Gur), https://www.mospi.gov.in/publications-reports/innerpage/2861.

[58] The 'Value of Production (millions INR)' and 'MPS/VoP' for 2020-21 and 2021-22 have been updated to reflect the most recent values published in the Government of India's National Accounts Statistics 2025.

ANNEX

Pages 19 to 33 Offset