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## THE HINDU

### GM-free corn imports, a tough ask



A woman selling grilled corn on a beach in Mumbai . As India prepares to import corn for the first time in 16 years, at least one stipulation in its international tender has become much tougher to meet - that shipments of the crop are completely free of genetically modified organisms (GMOs).

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India prepares to import corn for the first time in 16 years, at least one stipulation in its international tender has become much tougher to meet - that shipments of the crop are completely free of genetically modified organisms (GMOs).

The Asian country of 1.2 billion people does not allow cultivation of any genetically modified food and has rules that are supposed to ensure that imports contain no trace of GMOs.

But an explosion in the use of GM crops worldwide means that purity grade has become harder to attain and, with a growing risk of the supply chain being contaminated, underlines the vulnerabilities faced by countries trying to stay GM free.

Even a shipment containing a handful of genetically altered seeds could cross pollinate with local varieties and mean that in India's case farmers end up illegally growing GM crops.

“They can buy non-GMO corn, especially out of the Black Sea region, but I doubt anybody can offer shipments with zero presence of GMOs,” James Dunsterville, an agricultural commodities analyst at Geneva-based commodities information platform AgFlow.

South Korea's Daewoo International won the tender to ship 2.50 lakh tonnes of non-GM corn to India from Ukraine but two international traders in Singapore and an exporter in Kiev said Ukraine could at best guarantee 99.1 percent non-GM corn.

“The biggest risk of accepting anything less than 99, or 100, percent is that the imported GM corn may eventually get mixed with conventional seeds that farmers sow in India,” said an Indian government scientist.

“If, God forbid, any GM seed gets mixed here, it'll spoil the entire Indian agriculture,” added the scientist, who asked not to be named since he was not authorised to talk to media.

Daewoo declined to comment but two sources close to the company said it would be able to meet the requirements and that it was aware of the conditions in last month's tender issued by Indian state-run firm PEC.

Shrinking arable land, volatile weather and a world population tipped to top nine billion by 2050 are increasing pressures to plant GM crops to boost yields and protect from pests.

Much of the corn in major producers such as the United States, Brazil and Argentina is GM, helping production hit record levels in recent years and keeping a lid on food prices.

### **Global corn prices**

Global corn prices have recovered about 13 percent after hitting a five-year low in 2014 but are still more than 50 per cent below a record price of \$8.49 a bushel in 2012.

Indicating the difficulty of keeping GM free, Greenpeace said that Chinese farmers were illegally growing GM corn despite an official ban on cultivating GM varieties or other staple food crops.

The environmental group said almost all samples taken from cornfields in some parts of the north-east, China's breadbasket, tested positive for GMO.

China has not directly commented on the report though officials have issued warnings to seed dealers and farmers not to use unapproved GM seeds.

Some farm economists have said India should speed up efforts to embrace GM foods after China took a step towards this with its bid for Swiss transgenic seed developer Syngenta.

But public and political opposition in India remains strong amid fears they could compromise food safety and biodiversity. GM advocates say such fears are not scientifically proven.

“India must reject cargoes from suppliers who promise to provide corn that is only 99.1 percent free of GM organisms,” said Devinder Sharma, an independent food and trade policy analyst based in Chandigarh, highlighting a risk of contamination.

However, Mr. Sharma said that it had become standard global practice for GM-free buyers to settle for crops that were up to 99 percent GM free.

A source at trader PEC said India's condition that the imports were non-GM was sacrosanct.

PEC received 15 bids from global traders including Daewoo, Noble, Cargill and Agro Corp to supply corn mainly to be used as animal feed for India's poultry industry.

But Singapore-based traders said there could have been more participants in the tender but for the non-GM restriction.

Though Ukraine and growers in Europe, such as France, do produce non-GMO corn, suppliers may not be able to guarantee supplies are completely free of gene-altered grains because of common bulk handling systems, said a trading manager with an international trading company.

“It could be a dirty truck or a dirty conveyor belt. It only takes one seed to get a GMO positive result.”

### **Exploring cost-effective ways to address issues facing farmers**

Regional Agricultural Research Station (RARS) and S.V. Agricultural College in Tirupati have bagged three extramural projects of the Indian Council of Agricultural Research (ICAR), aimed at designing a short-term approach to address problems facing the farming community.

RARS researchers have secured two projects – ‘Small Farm Mechanisation’ and ‘Pest Control for Groundnut Crops’, and the latter would be employed for ‘Information and Communication Technology (ICT) Utilisation in Agricultural Education - Analysis’, for a period of three years.

### **Multi-tasking toolbar**

“With majority of the farming community falling under the category of small and marginal farmers, we would like to develop a multi-tasking toolbar which will address various mechanisation aspects right from sowing

to harvesting,” maintained RARS Principal Scientist Dr.C. Ramana, who will be leading the research project on ‘Small Farm Mechanisation’.

Pointing out the emphasis laid on ‘farm mechanisation’ by various government agencies, Dr. Ramana said that arriving at a comprehensive and cost-effective solution would be beneficial for farmers. He further said that scientists would undertake a initial survey to assess the ground realities and elicit suggestions from the farming community.

Groundnut is grown over 9.5 lakh hectares spread across Chittoor, Anantapur and Kadapa districts, and one-third of it faces the problem of ‘red hairy caterpillar’, said T. Murali Krishna, Principal Scientist (Entomology) at the RARS’s Institute of Frontier Technology.

“Our project ‘Development of Pheromones for Red Hairy Caterpillar’ will focus on monitoring and mass-trapping of pests. Once established, the installation can address the problem through periodical reviews every 21 days,” he remarked.

Besides this, ‘Information and Communication Technology (ICT) Utilisation in Agricultural Education - Analysis’ project, undertaken by S.V. Agricultural College Professor Dr. P.V. SatyaGopal (Agricultural Extension), Associate Dean N.P. Eswara Reddy and SVU Professor T. Kumaraswamy, will address the other end of the spectrum.

### **Workshop for mango growers**

Attributing changes in climate to the delay in flowering of mango crop in Vizianagaram district, former Scientist (Horticulture) G. Satyanarayana Reddy said that though the crop was being raised in 47,000hectares, 90 per cent of farmers depended wholly on rains.

Speaking at a workshop organised by the Horticulture Department at Agriculture Market Committee yard here on Monday, Dr. Reddy said that due to truant monsoon and improper nursing of mango groves, flowering has

been delayed this season. He also warned growers against excessive use of chemicals in dry lands. To overcome the situation and to get better crop yield, he advised farmers to dig soak pits in their groves.

### **Workers not available: farmers**

Farmers from Udumalpet block have claimed that they were finding it difficult to get labourers for field works.

G. Malaravan, secretary of the Tamil Nadu Manila VyvasayaSangham, told *The Hindu* that the authorities had been taking away the agriculture labourers for carrying out works under Mahatma Gandhi National Rural Employment Guarantee Scheme using pressure tactics.

### **MGNREGS**

“The authorities want to show that funds allocated under MGNREGS have been spent during the current fiscal. This has affected the farmers as many crops like black gram, Bengal gram, maize, and vegetables are to be harvested. Without workers, it will be extremely difficult to harvest and transport the produces to the markets,” he said.

On Monday, the farmers had taken up the matter to the notice of the District Collector.

### **Transplantation proves effective in red gram cultivation**

*Crop raised on 300 hectares in Thanthoni block under the new method*



An official (right) and a farmer study the growth of red gram crop which was raised after transplantation at Thamanayakkanpatti in Karur district.—  
PHOTO: A. MURALITHARAN

Cultivation of red gram by transplantation method has gained momentum in Karur district.

The method was not popular until 2012. Till then farmers were raising red gram by direct sowing, requiring a large quantity of seeds.

As per the new method, farmers raise red gram nurseries similar to paddy nurseries. It requires just one or two seeds for raising seedling in a polythene cover. The seedlings are then transplanted on field after 20 to 25 days. The crop, after 30 to 35 days old, should be nipped so as to multiply its branches.

Study undertaken by agricultural officials revealed red gram transplantation method was a better, convenient, high yield, and cost-effective than the traditional method of cultivation.

The new method requires just 2 kg of seeds as against 12-15 kg seeds sown in the traditional method on a hectare of land.

Since the transplantation was done by giving sufficient space between saplings, the crops grow healthy.

It reduces the chances of pest attack too.

Not many had shown interest to raise red gram in the district when the method was introduced. However, concerted efforts to create awareness on adapting to new method have started bearing fruit.

Agricultural officials said red gram had been raised on 300 hectares under the new method in Thanthoni block in the district alone.

More and more farmers were coming forward to follow the method.

S. Shoba, Assistant Director of Agriculture, Thanthoni block, told *The Hindu* that red gram cultivation, through transplantation method, had made inroads in the district. If the present trend continued, there was a possibility of doubling the red gram area coverage within a few years.

As many as 6,250 seedlings could be transplanted per hectare with just 2 kg of seeds. The yield would be between 800 and 1,000 kg as against 650 and 700 kg.

Adding value to the method was the adaption of drip irrigation.

A few farmers had installed drip irrigation for raising red gram by availing 25 per cent subsidy from the government under the National Agricultural Development Programme.

S. Sivasamy of ThimmaNaickenpatti, who had installed drip irrigation, said that overhead cost such as seeds, water charges, and clearing weeds had come down due to the adaption of red gram transplantation.

## **15 per cent rise in bank deposits in Tirupur**

*Credit disbursements too have exceeded plan targets*

Overall bank deposits in commercial banks in the district has shown an increase of 15.23 per cent by the end of the third quarter of the current financial year compared to the end of the 2014-15 fiscal.

The data shows that the total deposits in 310 branches of 42 commercial banks in the district stood at Rs. 13,863 crore as on December 31, 2015, against Rs. 12,030 crore by the end of the 2014-15 fiscal.

“Increase in deposits is a good sign that more people are coming into the institutional banking fold. The number of people going to users to meet



their financial consumption needs too will come down once they have an access to the banking network,” said S. Dhanajayan, a senior member of Institute of Chartered Accountants of India.

Lead District Manager V. Ganesan said that the increase in deposits indicate a betterment in thrift among the population.

The credit disbursement to the priority sectors that include agriculture, SMEs and Other Priority Sectors (OPS) like education and housing loans too has exceeded the annual credit plan targets fixed for third quarter of the current financial year.

During the third quarter of the fiscal , the lending to agriculture and allied sectors stood at Rs. 639 crore against the credit plan target of Rs. 633 crore registering an achievement of 101 per cent.

In the SME sector, Rs. 928 crore was disbursed as advances against the target of Rs. 910 crore (102 per cent).

In the OPS segment, Rs. 200 crore has been disbursed in the third quarter of the fiscal against the target of Rs. 192 crore (104 per cent).

### **‘Employ technology to reduce food wastage’**

Infrastructure needs, supply chain management, food safety and standards, export prospects, branding and exploration of new markets were discussed at a seminar on ‘Challenges and opportunities in food processing industry today,’ jointly organised by the Southern India Chamber of Commerce and Industry (SICCI) and Tamil Nadu Chamber of Commerce and Industry, here on Tuesday.

Speakers at the seminar pointed out that though India had the highest milk production and livestock in the world, occupied the second position in production of fruits and vegetables and third spot in fish production, it lagged far behind in processed food production.

According to a chamber press release, they insisted that it was critical to employ the latest technology in food processing sector to considerably reduce food wastage and make employment in the industry more lucrative.

Introduction of proper technology and change in food habits were bound to increase processed food production in the country.

The SICCI president, Palani G. Periasamy, presided over the seminar. N. Jegatheesan, president, Tamil Nadu Chamber of Commerce and Industry, welcomed the participants.

Senior president S. Rethinavelu addressed the gathering.

The technical sessions were chaired by Ram Rajasekaran, Director, CFTRI, Mysuru, and Srinivas B. Garudachar, Principal Adviser, e-agriculture, UN-IFAD, Bengaluru.

V.R. Muthu, chairman, Idhayam group of companies, spoke on infrastructure and supply chain management related to food processing sector.

A. Savithri of Britannia Industries explained the provisions of the Food Safety and Standards Act. T. Thanushkaran, chairman, Kannan Departmental Stores, dwelt on the opportunities for startups in food processing industry. Rajaraman of Ernst & Young elaborated the implications of GST on food processing industry and Anil Kumar Singh of the Department of Agri Marketing delivered a talk on indentifying new markets.

### **Fall in coconut price hits farmers hard**

The fall in the price of coconuts, one of the major horticultural crops here, has adversely affected coconut growers in Udupi district.

According to the Department of Horticulture, 17,815 hectares of land in the district was under coconut cultivation. According to an estimate, there were 26,72,250 coconut palms in the district, which was roughly 150 coconut trees a hectare. The yield of each coconut was estimated at about 80 to 100 a year.

The decline in price could be gauged by the fact that a coconut which was sold at Rs. 18 each last year, was priced at Rs. 9 this year. B.V. Poojary, a farmer who grows 500 coconuts in his farm at Perdoor village, said “The price of coconut has gone down, but the cost of other inputs, especially that of labour, increases every year. Cost of hiring a labourer for getting agriculture work done was between Rs. 450 and Rs. 500 a day. Even at this wage-level, it is difficult to find labourers. A coconut tree-climber should be given Rs. 35 to climb a tree and pluck coconuts. Those dehusking coconuts have to be given 55 paise for every coconut dehusked,” he further said.

“The fall in the price has hit coconut growers badly in the district. Since the prices were good last year, many had assumed it would remain the same if not increase,” said Satyanarayana Udupa, another coconut grower and General Secretary of the district unit of Bharatiya Kisan Sangha.

According to Devadas Nayak, owner of a coconut processing unit at Hebri, which manufactures coconut powder, the fall in price could be attributed to fall in demand for coconut powder in north India States due to intense winter. “Coconut powder is often used in preparation of sweets in north India. We get coconuts from Udupi district. Only when we run short do we get them from Dakshina Kannada and Uttara Kannada,” he said. Coconut powder was also used in making curries and a condiment in betel leaves. Yet another problem faced by coconut growers was the damage done to coconuts and tender coconuts by animals like monkeys, bandicoots and boars. Farmers in the district were demanding a support price for coconuts so that they had a cushion against losses.

Deputy Director of Horticulture K.A. Vijayakumar said that so far there was no provision in the department to provide support price for coconuts. He

would forward the demand of farmers to the government for consideration, he said.

### **Minister seeks 100% FDI in multi-brand food retail**



Union Minister Harsimrat Kaur Badal at the Make in India centre in Mumbai on Tuesday—Photo: Vivek Bendre

Mumbai: Food Processing Minister Harmsimrat Kaur Badal on Tuesday said she has written to Prime Minister Narendra Modi to allow 100 per cent FDI in multi-brand retail for food products grown and processed only in India.

“The idea is to help the farming community here, and we are expecting the government to consider this, given that ‘Make in India’ is his (PM Modi’s) programme,” she told reporters at a press conference in Mumbai.

Ms Badal said the move is critical for the capital intensive food processing industry and foreign fund flow will help address infrastructure bottlenecks.

The minister also said the ministry is putting in place a national electronic agricultural marketplace that will allow farmers to sell their produce directly to anyone in the country, without having to go through the agricultural marketplaces, or mandis. “This is the first time any government has taken such an initiative,” she said.

The ministry is also working on bringing down wastage in food processing and agricultural sector, which remains very high in India.

“The total value of wastage in agro and food processing is Rs 92,000 crore, we will bring that down,” MsBadal said.

The Food Processing Minister said that out of 42 mega food parks, 5 have been already made operational in the past 18 months, while another 3 will open by the end of the year. Two such parks had been opened by the previous government.

### **Farmers’ grievance redressal meet on February 19**

The farmers’ grievance redressal meeting would be held on February 19. Representatives of farmers associations have been asked to participate in the meeting and put forward their grievances.

Officials of various departments such as agriculture, horticulture, agriculture engineering, sericulture, fisheries, animal husbandry, cooperative sugar mills, water resources organisation, forest and pollution control board will be present, according to a press release.

### **Study to prevent growth of weeds**



A scientist explaining the anti-weed measures adopted in a plot at TNAU-Agricultural College and Research Institute in Tiruchi.— Photo: M. Srinath

The Tamil Nadu Agricultural University – AnbilDharmalingam Agricultural College and Research Institute near here has taken up a research to prevent weeds in agricultural fields

A piece of land measuring 20 cents on the campus of the institute has been divided into 40 plots and each plot is being used for ascertaining the growth of weeds.

Different herbicides are being used, each in a plot, to ascertain the impact of a particular herbicide in preventing the growth of weeds.

“Weeds pose a major challenge to farmers particularly during the summer. Cane-growers, black gram cultivators and green gram farmers are the worst-hit as the weeds, due to thick growth, interrupt the growth of their crops,” says P. Pandiyarajan, Dean. The problem being faced by farmers due to non-availability of agricultural labourers or additional expenditure involved in clearing the weeds through labourers can be overcome through the application of herbicides.

Four major herbicides are being applied in each plot. The herbicides – imazethapyr, quizolafop ethyl, oxylorfen, pendimethalin are applied for the research.

“The weed growth is so extensive that they form a bed on the crop so that they are known as ‘mat weed’ which turns otherwise hard to be cleared,” he adds.

The research aims at helping farmers prevent the emergence of weeds both before and during the process of cultivation of crops, said T. Ramesh, Assistant Professor of Agronomy who has been conducting the research.

Parameters such as dry weight of the weeds and cost effectiveness would be ascertained, he added.

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### **Farmers’ grievance day Meet**

Farmers’ grievance redressal meeting is scheduled to be held at the Collectorate here on February 25. The farmers are asked to get their grievances, if any, redressed during the schedule. Hence, Collector M. Ravikumar in a statement appealed them to utilise the opportunity.

### **Can India beat this slowdown?**



*It is only due to the high rates of growth in the services sector that India’s overall economic growth appears robust.*

The world economy is so hard to predict. In 2008, as the global financial markets plunged into a crisis, high oil prices were considered to be one of the factors that caused it. Today, many fear that the world economy is on the edge of another recession. Guess what is high up there on the list of its contributing reasons: low oil prices.



The price of crude oil remained mostly above \$100 per barrel for almost three years from 2011 onwards, but declined sharply during the second half of 2014, settling at around \$50 per barrel for a good part of 2015. Stock market prices collapsed in many parts of the world in January this year when oil prices fell to even greater depths, touching below \$30.

One of the reasons for declining oil prices is the advance made over the last few years with respect to oil production, especially in the U.S. The recent lifting of sanctions against Iran has eased the supply situation even further. But the falling oil prices are also a reflection of the stagnation in worldwide demand, and this is what has made the stock markets panicky.

China's economy is projected to grow at 6.3 per cent in 2016, its slowest growth in 25 years. A slowing China has far less appetite for oil and other commodities. This has adversely affected a number of emerging economies, which are suppliers of commodities or are closely linked to the Chinese production networks. Russia and Brazil, both major commodity-exporters, registered negative rates of growth of gross domestic product (GDP) in 2015.

### **The good news, and the bad news**

Amid all such mayhem, India's economy appears to stand tall. Its projected growth for 2015-16, at 7.3 per cent, makes it the fastest-growing large economy in the world, according to the International Monetary Fund (IMF). India is a large importer of oil, and therefore falling oil prices have been beneficial to its economic growth. India's oil imports as a proportion of its GDP have come down from around 9 per cent during 2011-14 to less than 5 per cent now. With the fall in oil prices, inflation based on the [wholesale price index](#) (WPI) has been in the negative territory in the country since November 2014.

However, the picture of growth and stability presented by the above-quoted figures is misleading. To begin with, it is important to note that scholars have raised questions on the recent GDP growth figures, which are based on

a new methodology employed by the country's statistical agencies in estimating national income.

More important are the wide variations in growth across sectors. Monsoons have been deficient in the country for the second consecutive year, with a disastrous impact on agricultural production and rural demand. The performance of the manufacturing sector has been unimpressive. Micro-and small-industrial units in particular have been facing a crisis over the last several years. Year-on-year growth of India's exports has been negative for 12 consecutive months in a row. There has been a surge in manufactured imports into India in recent years. Imports from China have increased markedly following the slowdown in that country's economy. It is only due to the high rates of growth in the services sector that India's overall economic growth appears robust.

Given its nature as described above, it is not surprising that India's economic growth has had a poor record with respect to employment generation. This author has made certain estimates on employment growth in India between 2004-05 and 2011-12, a period of exceptionally fast economic growth for the country. They show that, given the growth in the working-age population, the workforce engaged in industry and services in India could have potentially increased at the rate of 15 million a year during those years. But the actual increase that occurred was at a far slower rate: only around seven million jobs annually.

### **Government as a demand-driver**

The growth of aggregate demand in an economy is derived from four sources: private consumption, private investment, government expenditure and net exports. The boom years of the Indian economy were between 2003-04 and 2010-11, when its GDP grew at an average annual rate of over 8 per cent. Private investment and exports were important drivers of growth during the first part of this high-growth phase, which lasted until 2007-08. But export growth nosedived in 2008, and has never really gained momentum ever since, with the global economy moving from one crisis to

another. Despite this, India's fast growth continued, thanks to the stimulus measures launched by the authorities, which led to an impressive pickup in consumer demand, especially for automobiles and housing.

However, India's domestic private investors have got cold feet since 2011-12. The reasons for this include the sagging demand conditions at home and abroad, and the unutilised capacities they had built during the previous years. Many of them are also heavily indebted.

Private consumption expenditure accounts for the largest share of aggregate demand in India. But it cannot be an independent driver of growth for the economy. Further, consumer demand in India is not mass-based — with bulk of the expenditures coming from a small category of the rich — and therefore not beneficial for industries that want to gain from economies of scale.

In the current circumstances, it seems that the only engine of demand that can pull the Indian economy forward is government expenditure. No one disputes that India has huge investment needs in irrigation, electricity, rural and urban infrastructure, as well as in many areas of basic research. But these are all long-gestation projects, offering little immediate gains to any investor. Naturally, private investors have been wary about putting their money in them. These are precisely the areas where the government should step in, raising public investments to remove some of the long-standing constraints to growth and development.

The advantages offered by low oil prices by reducing inflation and external payments create an opportune environment for India to increase public investment in the country. In fact, the Finance Ministry's Mid-Year Review released in December 2015 stresses on the need to raise public expenditures in India in the current context. At the same time, many voices within the policy establishment and outside have warned against any rise in public expenditures that may result in fiscal deficits above certain targeted levels.

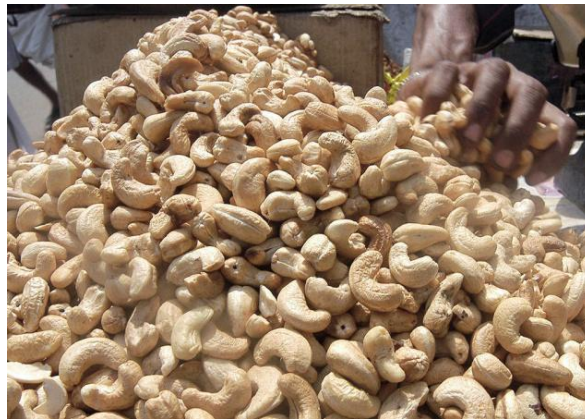
Governments in India and elsewhere commit themselves to maintaining fiscal-deficit targets largely because they fear that not doing so would scare away foreign investors and anger global finance. It is perhaps important for them to recognise that they are undermining themselves by bowing too much to the dictates of global finance — this unkind monster that has stoked economic collapses time and again.

The world economy is likely to see more turbulent days ahead. If foreign investors and foreign markets are going to be staggered in these uncertain times, India will have little to gain by going after them. Instead, the country's policymakers should turn their attention inward, devising strategies to unleash domestic markets and entrepreneurship in this large and diverse nation.

*(Jayan Jose Thomas is an Associate Professor of Economics at the Indian Institute of Technology, Delhi.)*

## THE HINDU BusinessLine

### Cashew exports continue to dip on high processing cost



#### **KOCHI, FEBRUARY 16:**

Cashew exports continued to decline so far during the current fiscal while import of raw nuts witnessed an upsurge even at higher unit value.

During April 2015-January 2016, shipments of cashew stood at 84,424 tonnes valued at ₹4,143.84 crore at an average unit value of ₹490.84 a kg. Whereas, in the corresponding period last fiscal exports were at 1,00,208 tonnes valued at ₹4,535.44 crore at an unit value of ₹452.60/kg.

Shipments in January stood at 6,649 tonnes valued at ₹358.60 crore at a unit value of ₹539.33 against 10,431 tonnes valued at ₹487.39 crore at a unit value of ₹467.24 in January 2015.

High processing cost due to increase in imported raw nut prices coupled with rise in wages has pushed the kernel prices up affecting the exports, Sundaran Prabha, Chairman, Cashew Export Promotion Council of India (CEPCI), told *BusinessLine*.

He attributed the rise in RCN prices to the unhealthy and unscrupulous activities by the trade. Therefore, he said, the CEPCI has urged the Union Commerce Ministry to bring in some control over imports and such trading activities.

Despite high unit value, import of raw cashew nuts (RCN) showed an upsurge in January. During the month, 41,693 tonnes of RCN were imported at a unit value of ₹113 a kg against 27,249 tonnes at a unit value of ₹89/kg in January 2015.

In January, the world cashew market was very steady with reasonable activity in all markets. Business was done for W240 from \$3.80 to \$3.90 and W320 from \$3.55 to \$3.65 per lb (fob) for nearbys with some processors being able to sell higher to their regular buyers, Pankaj N Sampat, a Mumbai-based dealer, said.

Current price range is W240 \$ 3.85-4, W320 \$3.55-3.70, W450 \$3.45-3.60, SW320 \$3.40-3.50, Splits \$3.20-3.35, Pieces \$3-3.15 per lb (fob).

(This article was published on February 16, 2016)

## **Kerala records growth in IEM proposals: Assocham**

### **KOCHI, FEBRUARY 16:**

Kerala has emerged as the only State to record a positive growth in terms of receiving industrial entrepreneurs' memorandum (IEM) proposals during 2012-14, according to an Assocham study.

The growth was about 315 per cent during the period compared to 2009-11, while the figure had seen a decline of over 65 per cent in the country, the study titled 'Realising economic growth potential in Kerala' said.

### **IEM proposals**

Kerala received IEM proposals worth over ₹17,600 crore, which is just about one per cent of the ₹15 lakh crore IEMs received across the country. The State also attracted outstanding investments worth about ₹3 lakh crore accounting for just about two per cent of the total outstanding investments worth ₹157 lakh crore attracted by States as of 2014-15.

The services sector (other than financial) accounted for largest share of 54.5 per cent in total outstanding investment attracted by Kerala followed by manufacturing (27.5 per cent), real estate and construction (eight per cent) and electricity (7.5 per cent).

The investments attracted by Kerala have grown at a CAGR of over 13 per cent during the course of past decade between 2004-05 and 2014-15, said DS Rawat, secretary general of Assocham.

### **Non-starters**

Projects worth about 54 per cent of total investments have remained non-starters as of 2014-15, said the study.

Assocham suggested focusing on improving physical infrastructure such as access roads and power supply to improve industrial productivity and

competitiveness, especially in MSMEs that jointly employ over 33 lakh people.

Kerala should also create new employment opportunities by partnering with private sector to realise the objective of robust economic growth and promote agriculture and food processing industry, tourism, textile, rubber, and other such sectors. Besides, it is also required to provide training to farmers and producers to improve quantity, quality and promote usage of new technologies in farming sector, it said.

Ensuring timely implementation of projects by providing licence and clearance from concerned departments in a stipulated timeframe and rehabilitation of sick industrial units are other suggestions made by the study.

(This article was published on February 16, 2016)

### **Withdrawal of corporates drags copra prices**

#### **KOCHI, FEBRUARY 16:**

The Coconut Development Board has attributed the “temporary withdrawal of a handful of major buyers of milling copra” as the reason for the recent price fall of copra.

“Their withdrawal is intentional with a definite objective to further pull down the price of procuring maximum quantity of copra at rock bottom price. However, big and small oil manufacturers are left with little stock, as such, they will continue to procure copra in bulk in the near future,” the Board said, while seeking to allay the fears of farmers on the price fall.

The Board’s clarification assumes significance when copra prices have dwindled to ₹5,900 a quintal in Kerala and ₹5,500 in Tamil Nadu this week. Coconut oil prices are also ruling at lower level at ₹8,500 per quintal in Kerala and ₹7,600 in Tamil Nadu.

Since the analysis of information received from the market indicates a rise in price by the end of this month, the officials requested the farmers not to panic and rush to the market to sell out their produce at a throwaway price.

However, the Cochin Oil Merchants Association (COMA) urged the authorities to start procurement at the earliest, saying that a mere announcement is not enough to pacify the farmers, who are reeling under continuous fall in prices. The current prices are close to the minimum support price fixed in 2015 for procurement at ₹5,550 for milling copra and ₹5,830 for ball copra.

Though the coconut oil market is in a steady line this week, Thalath Mahmood, President of COMA, said that the local consumption of coconut oil in Kerala witnessed a 10-15 per cent growth due to its low prices at par with other edible oils.

(This article was published on February 16, 2016)

### **No trading in rubber market**

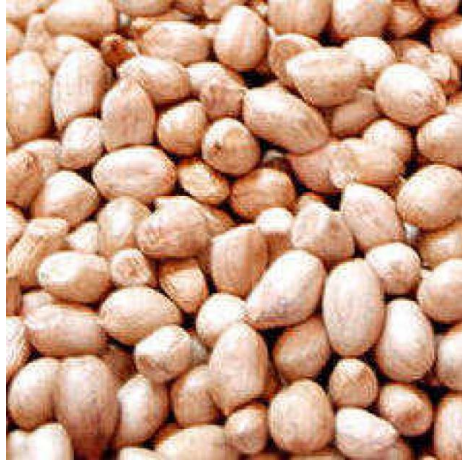
#### **KOTTAYAM, FEBRUARY 16:**

Spot rubber rates were not available owing to a hartal announced by the 'Kerala Vyapari Vyavasayi Ekopana Samithy' on Tuesday. RSS 4 declined at its March futures to ₹95.75 (₹96.69), April to ₹98.75 (₹99.56) and May to ₹100.03 (₹100.56) a kg on the National Multi Commodity Exchange. RSS 3 (spot) firmed up to ₹87.54 (₹86.41) at Bangkok. February futures closed at ¥141.6 (₹85.15) on the Tokyo Commodity Exchange.

(This article was published on February 16, 2016)



## Limited buying in groundnut oil

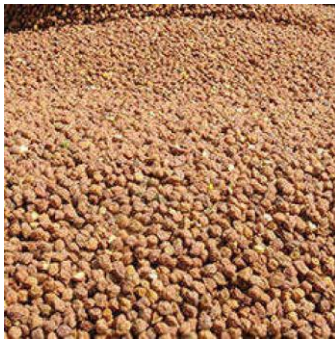


### **RAJKOT, FEBRUARY 16:**

Groundnut oil traded flat on the back of limited demand from stockists and brands as retail buying was weak. Similarly, cotton oil remained unchanged on normal demand. Groundnut oil wash traded at ₹985-990 per 10 kg. Jamnagar line telia tin stood at ₹1,375-1,376 per 15 kg. About 1-2 tankers of groundnut oil were traded in Saurashtra. Groundnut oil new tin was ₹1,565-1,570 per 15 kg in Saurashtra and ₹1,590-1,600 per tin in Gujarat. Washed cotton oil traded at ₹50-553 per 10 kg and cotton oil new tin stood at ₹70-990 per 15 kg.

(This article was published on February 16, 2016)

## Bullish futures boost chana



## **INDORE, FEBRUARY 16:**

Rise in futures and strong demand from millers have lifted chana prices in Indore mandis in the past one week by ₹200 with chana (kanta) at ₹ 4,600-50 a quintal, while chana (desi) ruled at ₹4,450. Chana (mausmi) ruled at ₹4,500-5,000, chana (vishal) at ₹4,450, Kabuli Bitki at ₹4,550, while Kaktu ruled at ₹4,600-4,700. Chana dal (average) was being quoted at ₹5,300-5,400, chana dal (medium) ruled at ₹5,500-5,600, while chana dal (bold) was ₹5,700-5,800 a quintal. In container, dollar chana (42/44 count) went for ₹6,800-25; 44/46 count at ₹6,650-75; 58/60 count at ₹5,925-50, while 60/62 count was quoted at ₹5,825-50 a quintal.

(This article was published on February 16, 2016)

## **Business Standard**

### **Want 100% FDI in multi-brand retail in food: Harsimrat Kaur-Badal**

Food Processing Minister pushes for national e-platform bypassing mandis for farmers, food producers



*Union Food Processing Minister Harsimrat Kaur Badal addressing a press conference in New Delhi.*

Food Processing Minister Harmsimrat Kaur Badal on Tuesday said she had written to the Prime Minister to allow foreign direct investment (FDI) in multi-brand retail for food products that are grown and processed in India.

“The idea is to help the farming community here, and we are expecting the government to consider this, given that Make in India is his (PM Narendra Modi’s) programme,” she said.

The move also follows the Prime Minister’s call to food and beverage manufacturers, particularly beverage makers, to at least 2 per cent of locally produced juice in their product, she said. Coca-Cola and Manpasand have already launched products that follow this recommendation. On Friday, Coca-Cola launched a version of its popular Fanta brand that contains 10 per cent juice content.

Kaur-Badal also said the ministry was putting in place a national electronic agricultural marketplace that would allow farmers to sell their produce directly to anyone in the country, without having to go through the agricultural marketplaces, or mandis. While private companies such as ITC have in the past experimented with a similar model, called e-chaupal, the government had never taken such a step. There are about 2,400 such mandis across the country that effectively control pricing and supply.

“This is the first time that any government has taken such an initiative,” the minister claimed.

However, cooperation of the states will be key, she added, since most APMCs are under the states’ jurisdiction. So far, Kaur-Badal said, 23 states have given in-principle approval for setting up a national agricultural market for farmers and food producers.

The ministry is also working on bringing down wastage in food processing and agricultural sector, which remains very high in India. “The total value of wastage in agro and food processing is Rs 92,000 crore, we will bring that down,” she said at the Make in India event.

The Food Processing Minister said that out of 42 mega food parks, 5 have been already made operational in the past 18 months, while another 3 will open by the end of the year. Two such parks had been opened by the previous government

The remaining 32 parks will become operational over the next 30 months, she said

“We hope to take the share of food processing in GDP from 2 per cent to 10 per cent in the next few years using a combination of encouraging local manufacturing through food parks, providing fiscal benefits and incentives and improving the consumption of processed food,” she said. “That’s my agenda.”

The minister will also meet with banks to urge them to lower lending rates for agriculture and food processing ventures, sources said. Currently, banks typically lend at 10 per cent or more rates, while NABARD, which has a corpus of Rs 2,000 crore, lends at about 9.5 per cent. Kaur-Badal, these sources said, wants banks to push more lending to food processing units as part of their priority sector lending.

### **CRISIL for more attention to agriculture; generating more non-farm employment**

The agency also recommended extending the DBT scheme to the food and fertiliser subsidies

The Centre needs to expand irrigation coverage, give a big push to crop insurance and make agriculture remunerative, rating agency CRISIL has said.

Ahead of the Union Budget proposals, it has also recommended extending the Direct Benefits Transfer (DBT) scheme to the food and fertiliser subsidies, and generating more non-farm employment.

The agency said that some broad areas require innovative policy solutions to restore the rural economy.

### **Read our full coverage on Union Budget 2016**

Irrigation, it said, covers only 47% of the country's cropped area, exposing the rest to monsoon shocks. Around 84% of pulses, 80% of horticulture, 72% of oilseeds, 64% of cotton and 42% of cereals are cultivated without assured irrigation.

The combined spending of Centre and states on irrigation has been 2% annually of their total spending in the past five years — also less than the 3% annually spent on this in the five preceding years.

In the 2015-16 Budget, the government had allocated Rs 5,000 crore for micro-irrigation, watershed development and the Pradhan Mantri Krishi Sinchai Yojana.

"Such spending needs to be encouraged and linked to employment generation. Focus on irrigation will require the government to deploy sustainable micro-irrigation schemes and creation of assets for rainwater harvesting and storage," CRISIL said.

As for crop insurance, which got Rs 2,600 crore in 2015-16, the agency wants this figure raised. An ASSOCHAM-Skymet survey (April 2015) found that only 19% of respondents had their crops insured.

The government recently launched the Pradhan Mantri Fasal Bima Yojana, a crop insurance scheme, operational after April 1. Effective implementation will be key to meeting the target of 50% coverage in the first two years. CRISIL said adequacy of coverage per farmer per crop will be critical to ensure its usefulness.

Other challenges include ensuring the transparent assessment of crop damage within a specified time following weather shocks, and the ability to adequately compensate for the losses within the shortest possible time.

The report also said the Centre should make agriculture profitable through easy availability of high-variety seeds at reasonable costs, reducing the cost of transportation, effective market pricing of produce, drought-proofing the sector by expanding irrigation cover and introducing the latest technologies.

CRISIL said in many pulses crops, the difference between cost of cultivation and output price had widened. In urad (gram), for instance, while output prices in the past decade have gone up by 12%, cost of cultivation in major producer states are up by 12 to 26%.

Another recommendation is for reorienting of expenditure from subsidies to public sector investment. In FY12 and FY13, for instance, public sector gross capital formation in agriculture grew by an annual average of 4.7% but spending on food subsidy rose nearly three times faster.

Additionally, the agency said, "extending the DBT scheme to include food subsidy will help curb losses due to leakages and result in significant savings for the government (and) ensure better targeting of food subsidies".

CRISIL also advocated generation of more non-farm employment by creating a safety net to mitigate losses to the sector in case of a weather shock and providing a long-term solution to impart skills training. It said policy focus needs to sharpen on other rural non-farm sectors such as food processing and tourism, as conventional sectors like construction, trade and transport that have historically acted as engines of rural non-farm employment growth are faltering.

## **Only 5% of farmers cultivating wheat, rice insured their crops**

Insurance coverage rates were higher among farmers cultivating groundnut, soyabean and cotton in the agricultural year July 2012 to June 2013



Only five per cent of households cultivating wheat and paddy have insured their crops, according to a report released by the ministry of statistics & programme implementation (MoSPI).

By comparison, insurance coverage rates were higher among farmers cultivating groundnut, soyabean and cotton in the agricultural year July 2012-June 2013.

The latest data comes against the backdrop of the central government embarking on a crop insurance schemes, which it hopes will cover 50 per cent of the farmers in two years.

The report, based on the 70th round of the National Sample Survey carried out between January and December 2013, found that a majority of farmers were simply not aware of crop insurance.

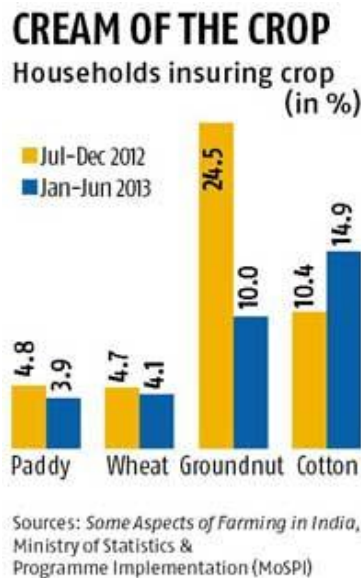
Knowledge about insurance and its benefits were, expectedly, lower in rural areas with lower levels of literacy. But despite knowing about the facility, 20 per cent of households were simply not interested in insuring their crops or did not feel the need to insure crops.

Based on evidence collected, the report suggested: "Proper awareness, enhanced geographical coverage and simplification of procedures may positively affect the rate of crop insurance among the cultivating agricultural households in the country."

The report affirmed the widely held view that among those households who insured their crops and experienced crop losses, only a small percentage received their claims. Further, most of the claims that were received were often delayed.

According to the report, "More than 75 per cent of the agricultural households that had additionally insured their crops did not receive their insurance claim against the crop loss they experienced in respect of the crops harvested during the period July 2012- December 2012."

For pulses such as urad, arhar and other crops like groundnut, cotton and soyabean, non-receipt of claims was almost 100 per cent.







# THE TIMES OF INDIA

## **Encourage cash crops, farmers tell agriculture panel**

VISAKHAPATNAM: Farmers from the district, who were present during the public hearing conducted by the AP Agricultural Commission here on Tuesday, said ryots must be encouraged to grow cash crops such as chilli, turmeric, brinjal and onion due to the availability of a humid climate along with red sandy loams, red clay loams and alluvial types of soil varieties.

The ryots also expressed their worries about transportation of crop and the minimum market price as well as the involvement of middle men and fixation of prices.

Addressing the concerns of the farmers, members of the commission headed by Prof R Radha Krishna said, "Our main focus is to enable the growth and development of agriculture as well as establish a fixed yet flexible cropping pattern to ensure maximum results." Prof S Galib, one of the members of the commission, observed, "We are looking at establishing consistency in fisheries as well as agriculture and horticulture. We are also looking at mixed planting in horticultural areas to ensure greater productivity. That is the reason we are asking for feedback from the farmers."

Some members of the farming community present during the meet urged the commission to suggest guidelines to further streamline the National Rural Employment Guarantee Scheme (NREGS), which they said was still flawed when it came to implementation. One of the farmers, C Ramaiah from Kannuripalem in the district said, "NREGS should be implemented at the local level. One cannot talk about the scheme when agricultural labour is required prior to the Kharif season. More importantly, the money they earn is spent on liquor and not anywhere else."

P Chiranjeevi, a farmer from Yelamanchili, said, "Agriculture in India is labour intensive. The big farming families do not own more than 100 acres of land thanks to the Rural Land Ceiling Act. It only distributed poverty and now there is a shortage of labour due to NREGS as skilled agriculture labour is being wasted on NREGS work."

Though the commission members did not directly comment on some of the issues raised, they noted that all the grievances of the farming community would be taken into account before a plan of action is actually formatted. Regarding transport, storage and marketing facilities, the members of the commission said they would do their best to notify the government on the path to take in this regard.

### **Centre call scientists to develop organic agriculture technology**

SILLONG: The Centre today exhorted government agriculture scientists to develop technologies and resources for organic agriculture in the North Eastern Region.

Union Minister of Agriculture and Farmers Welfare Radha Mohan Singh today met the scientists of Central Agricultural University and Indian Council for Agricultural Research (ICAR) in this connection.

Emphasis should be given on production of farm manure from all organic waste, Singh said after inaugurating the Academic Block of College of Post Graduate Studies, Central Agricultural University, Imphal.

He also laid the foundation stone for the new College of Agriculture, Kyrdemkulai, Meghalaya at the College of Post Graduate Studies, Umiam (Barapani) in Meghalaya and then inspected the ICAR Complex, Umiam, in Ri Bhoi District.

Later, at an awareness programme on 'Sustainable Hill Agriculture' at ICAR Complex, in Ri Bhoi district, Singh encouraged the farmers to use organic

manure and also spoke at length on e-marketing, where the farmers could sell their agricultural production in other parts of the country.

About Central Agricultural University, the Union minister termed it a unique agricultural institution in the country, which takes care of the agricultural education, research and extension needs of the six North Eastern Hill states. The University has played a pivotal role in the overall development of the states under its jurisdiction, he said.

In view of the huge agricultural potential and human resources development that the North Eastern Region could offer, six new colleges under the jurisdiction of the Central Agricultural University have been planned, he said. Of these, 4 new colleges have already started their first academic session, Singh said, adding that the other 2 colleges in Nagaland and Mizoram will be functioning soon. "To empower the unemployed rural youths, the university has planned 6 vocational training centres and six multi-technology testing centers," Singh said and hoped these centers will make rural youth employment generators rather than employment seekers.

### **Fodders camp shut down temporary: Agriculture minister Khadse**

MBAI: The government on Tuesday said that its decision of shutting down fodders camp in three drought affected districts - Beed, Osmanabad and Latur - is temporary. If needed we will again allow fodders camp, the government said.

A senior BJP leader however said that the fund released on the name of fodders camp get misused by the local goons.

Eknath Khadse agriculture minister said that the decision of shutting down fodders camp has been taken because farmers of the three districts are taking their animals back. "As of now, adequate fodder is available. It can be restarted if the demand is made by farmers," said Khadse.

Meanwhile chief minister Devendra Fadnavis also asked cabinet sub-committee headed by Khadse to reconsider the decision to stop fodders camp.

A senior BJP leader said that few of the locals eyeing on the government subsidy opens fodders camp to gain money. "Many a times, a goon from the village opens the fodder camp as it would not be affordable to run cattle fodder camp on the government subsidy. Farmers should come with their own fodder and keep cattle at the fodder camp and take home 50% subsidy," he said on the condition of anonymity.

"While in other cases, farmers keep animal in fodder camp during day time and take away in the evening. As per government norms a minimum of 150 cattle have to be present at the camp during the inspection. However, the farmers take back their cattle home in the evening as they are unwilling to stay back," added BJP leader. Only cattle fodders camp run by communities like Jains and voluntary organisations do operate smoothly, he added.

## DECCAN Chronicle

### **Sugar found in leafy greens helps to promote health**

The discovery also provides crucial insights that may one day be exploited to develop an entirely new class of antibiotics.



Each year, leafy green vegetables, such as spinach, produce the sugar on an enormous scale globally. (Photo: Representative image)

A new discovery finds out how bacteria feed on an unusual sugar molecule found in leafy green vegetables could hold the key to explaining how 'good' bacteria protect our gut and promote health.

The finding suggests that leafy greens are essential for feeding good gut bacteria, limiting the ability of bad bacteria to colonise the gut by shutting them out of the prime 'real estate'.

Researchers from Melbourne and the UK identified a previously unknown enzyme used by bacteria, fungi and other organisms to feed on the unusual but abundant sugar sulfoquinovose, SQ for short, found in green vegetables. Each year, leafy green vegetables, such as spinach, produce the sugar on an enormous scale globally, comparable to the world's total annual iron ore production.

The discovery also provides crucial insights that may one day be exploited to develop an entirely new class of antibiotics.

## THE ECONOMIC TIMES

### **Cumin exporters demand more protection for farmers**



In order to maintain India's ranking as the top jeera or cumin seeds exporting nation, exporters of the cash crop has accentuated the need of more protection for farmers in the country.

JODHPUR: In order to maintain India's ranking as the top jeera or cumin seeds exporting nation, exporters of the cash crop has accentuated the need of more protection for farmers in the country.

The first-ever national conference on cumin seeds, the largest exporting spice from India, was held here yesterday.

Its export currently constitutes 62 per cent share in the global market.

Speakers at the conference reiterated the need of safeguarding farmers by different means so that they are motivated to not only keep sowing the crop, but also increase sowing acreage.

Held with a view to promote the practice of organic farming of the crop and prevent the malpractices in the trade, this meet saw convergence of large number of farmers, traders, exporters and heads of the spice board besides agriculture scientists and technologists from across the country.

Chairman of the Agriculture Produce Management Committee (APMC), Gujarat, Gaurang Patel said that cumin seeds is one of the most critical crop and a modest switch in weather could wreak havoc on the crop.

"Keeping this in mind, the APMC has decided to help and protect farmers from this exigency by way of providing them safeguards," Patel said adding the entire business was dependent upon the good produce and the farmers are the first in this entire trade chain.

Chairman of Rajasthan Khadya Padarth Vyapar Sangh, Babulal Gupta said: "Today, Rajasthan is fast moving ahead by setting new records in terms of production of various crops like Cumin seeds, Mustard and now in Wheat

also and if we want this trend to be perpetual, we and the government needed to come forward," Gupta said.

### **India wants imported corn to be GMO-free**



"If, God forbid, any GM seed gets mixed here, it'll spoil the entire Indian agriculture," added the scientist, who asked not to be named.

NEW DELHI/SINGAPORE: As India prepares to import corn for the first time in 16 years, at least one stipulation in its international tender has become much tougher to meet - that shipments of the crop are completely free of genetically modified organisms (GMOs).

The Asian country of 1.2 billion people does not allow cultivation of any genetically modified food, and has rules that are supposed to ensure that imports contain no trace of GMOs.

But an explosion in the use of GM crops worldwide means that purity grade has become harder to attain and, with a growing risk of the supply chain being contaminated, underlines the vulnerabilities faced by countries trying to stay GM free.

Even a shipment containing a handful of genetically altered seeds could cross pollinate with local varieties and mean that in India's case farmers end up illegally growing GM crops.

"They can buy non-GMO corn, especially out of the Black sea region, but I doubt anybody can offer shipments with zero presence of GMOs," James Dunsterville, an agricultural commodities analyst at Geneva-based commodities information platform AgFlow.

South Korea's Daewoo International won the tender to ship 250,000 tonnes of non-GM corn to India from Ukraine, but two international traders in Singapore and an exporter in Kiev said Ukraine could at best guarantee 99.1 percent non-GM corn.

"The biggest risk of accepting anything less than 99, or 100, percent is that the imported GM corn may eventually get mixed with conventional seeds that farmers sow in India," said an Indian government scientist.

"If, God forbid, any GM seed gets mixed here, it'll spoil the entire Indian agriculture," added the scientist, who asked not to be named since he was not authorised to talk to media.

Daewoo declined to comment but two sources close to the company said it would be able to meet the requirements and that it was aware of the conditions in last month's tender issued by Indian state-run firm PEC.

## RISKS OF CONTAMINATION

Shrinking arable land, volatile weather and a world population tipped to top 9 billion by 2050 are increasing pressures to plant GM crops to boost yields and protect from pests.

Much of the corn in major producers such as the United States, Brazil and Argentina is GM, helping production hit record levels in recent years and keeping a lid on food prices.

Global corn prices have recovered about 13 percent after hitting a 5-year low in 2014 but are still more than 50 percent below a record price of \$8.49 a bushel in 2012.



Indicating the difficulty of keeping GM free, Greenpeace said that Chinese farmers were illegally growing GM corn, despite an official ban on cultivating GM varieties or other staple food crops.

The environmental group said almost all samples taken from cornfields in some parts of the north-east, China's breadbasket, tested positive for GMO. China has not directly commented on the report, though officials have issued warnings to seed dealers and farmers not to use unapproved GM seeds.

Some farm economists have said India should speed up efforts to embrace GM foods after China took a step towards this with its bid for Swiss transgenic seed developer Syngenta.

But public and political opposition in India remains strong amid fears they could compromise food safety and biodiversity. GM advocates say such fears are not scientifically proven.

"India must reject cargoes from suppliers who promise to provide corn that is only 99.1 percent free of GM organisms," said Devinder Sharma, an independent food and trade policy analyst based in Chandigarh, highlighting a risk of contamination.

However, Sharma said that it had become standard global practice for GM-free buyers to settle for crops that were up to 99 percent GM free.

A source at trader PEC said India's condition that the imports were non-GM was sacrosanct.

PEC received 15 bids from global traders including Daewoo, Noble, Cargill and Agro Corp to supply corn mainly to be used as animal feed for India's poultry industry.

But Singapore-based traders said there could have been more participants in the tender but for the non-GM restriction.

Though Ukraine and growers in Europe, such as France, do produce non-GMO corn, suppliers may not be able to guarantee supplies are completely free of gene-altered grains because of common bulk handling systems, said a trading manager with an international trading company.

"It could be a dirty truck or a dirty conveyor belt. It only takes one seed to get a GMO positive result."