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THE HINDU

Cotton panel set up for production push

The Cotton Advisory Board (CAB) has set up a sub-committee that will work on ensuring sustainability of cotton production, according to a senior official in the Ministry of Textiles.

This follows concerns that actual cotton production could turn out to be lesser than estimates. Industry sources here said that in its previous meeting, the CAB had estimated that the cotton production this season (October 2015-September 2016) would touch 352 lakh bales.

However, the actual production could be lower than the estimated level, with the average yield now being 500 kg per hectare as against 570 kg a hectare a few years ago.

The ministry official also said that since both the Agriculture and Textile ministries have an interest in the crop, another such sub-committee, or more, may be formed to jointly lay out a roadmap for sustainable production.

Adequate stock

Sources in the trade said that the price of Shankar – 6 cotton, a variety popular with textile mills, was Rs. 33,300 a candy on April 1, going up to Rs. 36,500 a candy by the end of April, before settling at Rs. 35,000. However, there is no complaint of shortage of cotton. “We have adequate stocks,” the official said. The area under cotton in the Punjab, Rajasthan, and Haryana is expected to decline, even as farmers in Maharashtra and Telengana show little interest in the crop, said K.N. Viswanathan, vice-president of the Indian Cotton Federation. A clearer picture would emerge after the monsoon set in, he added.

State exempts market fee on rice

The Telangana Government on Friday issued orders exempting market fee on rice being sold by rice millers to dealers with the State and also on cotton seed.

However, it has increased the market fee on paddy and cotton from the existing 1 per cent to 1.5 per cent to compensate the loss to marketing department, at least to some extent.

The decisions were taken based on the report submitted by a committee appointed by the Agricultural Marketing Department to examine the issue of exempting market fee on rice. The report stated that market fee estimated on rice during 2012-13, 2013-14 and 2014-15 was Rs.37.43 crore, Rs.56.4 crore and Rs.37.57 crore based on production and the collection was around 25 per cent to 30 per cent of the target.

The Indian EXPRESS
JOURNALISM OF COURAGE

GM crop Technology: Now compulsory licensing becomes rule, not exception

Goes contrary to the spirit of recently unveiled Intellectual Property Rights policy, says industry.

The agriculture ministry, in a notification dated May 18, has said that the licensor of an approved GM technology “shall not refuse grant of a licence” to any eligible seed company wanting to incorporate it into its own hybrids or varieties. (File Photo)

Barely a week after unveiling a National Intellectual Property Rights (IPR) policy that seeks to encourage “continuous flow of innovation … to fuel a vibrant knowledge economy”, the Centre has come out with new rules for licensing of genetic modification (GM) technology, which, crop biotech industry representatives allege, brings back control raj in agricultural R&D.

The agriculture ministry, in a notification dated May 18, has said that the licensor of an approved GM technology “shall not refuse grant of a licence” to any eligible seed company wanting to incorporate it into its own hybrids or varieties.

The ministry's new 'Licensing and Formats for GM Technology Guidelines' further mandate the technology developer to award the licence for its GM trait "within 30 days of receipt of a request from [the] licensee". If the licensor "fails to meet the above obligation, the licensee is deemed to have obtained the licence … as per FRAND (fair, reasonable and non-discriminative) mechanism".

"This is nothing but compulsory licensing, as the innovator has no choice but to part with his technology. He has no say in even deciding whom to give the licence. The licensee merely needs to be eligible, which means having access to a laboratory for carrying out necessary tests required for breeding and testing GM traits, nothing more," noted Shivendra Bajaj, executive director of the Association of Biotechnology Led Enterprises-Agriculture Focus Group, a domestic lobby arm of crop research majors like Monsanto, Mahyco, Syngenta, DuPont Pioneer, Bayer BioScience, BASF and Advanta.

While the World Trade Organization's TRIPS (Trade-Related Aspects of IPR) Agreement has provisions for compulsory licensing of patent-protected technologies to meet "national emergencies" or for "public non-commercial use", there is no reference, however, to such exceptional circumstances in the latest notification. Instead, a licensee "aggrieved" by denial of a GM trait licence can now make an appeal to the Controller of Seeds in the Agriculture Ministry.

The Controller has the power, then, to issue necessary directions to the technology provider "to ensure non-discriminative licensing to encourage competition". Access to GM trait "shall not become a barrier for entering the market by an eligible seed company", the agriculture ministry has stated.

The new guidelines have even prescribed a format for GM technology licensing agreements. All existing trait licence agreements in any other format — including those entered into by Monsanto with Indian seed companies for its proprietary Bollgard-II Bt cotton technology — "shall become invalid, inoperative and shall have to be executed in the new format within 30 days … of publication of these guidelines".

But the Centre will not simply stop at forcing compulsory licensing and specifying the format for signing of technology agreements, normally a bilateral matter concerning the licensor and licensee.

The guidelines also provide for fixing of royalty (“trait value”) payable by licensees. In the case of GM cotton, the maximum royalty for any newly commercialised trait — that could include Monsanto’s next-generation Bollgard-III technology — cannot be more than 10 per cent of the maximum sale price of the seeds, which itself is being fixed by the Centre following an earlier order issued on December 7.

Moreover, even the 10 per cent limit is applicable only for the initial five years from commercialisation. “From the sixth year onwards, it shall taper down every year @ 10 per cent of the initial trait value,” according to the guidelines.

“Nobody will have the confidence to introduce any new crop biotech technologies after this. The latest guidelines, along with the previous cotton seed price control order, are a big blow to innovation in the sector,” Bajaj added.

Interestingly, all this comes just days after the release of what the Narendra Modi government has claimed to be India’s first ever national IPR policy on May 12.

hindustantimes

No respite: Intense heat wave till next week, says Met

A heat wave sweeping through vast swathes of the country will remain intense till next week, the weatherman said on Friday, warning of temperatures rising to a blistering 50 degree Celsius in many parts of north India.

The India Meteorological Department (IMD’s) warning came a day after Phalodi in Rajasthan experienced 51 degree Celsius, the highest ever in India since weather monitoring began.

“Heat wave to severe heat wave conditions are very likely at a few places over Rajasthan, Madhya Pradesh and Gujarat; and at isolated places over south Uttar Pradesh, Vidarbha and central Maharashtra,” the IMD said in its forecast.

Indian vendors who sell sunshades for car windows take rest by a roadside on a hot summer afternoon in Jammu, India. (AP Photo)

It issued a “red alert” – the highest level -- and “severe heat wave” warning for east and west Rajasthan, east and west Madhya Pradesh, Saurashtra and Kutch and the Gujarat region.

The IMD said the intensity of the heat wave is likely to gradually “abate during May 27 to 31”.

Large parts of north, west and central India are already reeling under unusually high temperatures – 45 to 48 degree Celsius – for the past few weeks, aggravating problems for farmers hit by back-to-back droughts.

It has also led to acute water shortage in many areas of central and western India which has seen water riots, government-monitored rationing and armed guards at reservoirs.

The Met department earlier said the southwest monsoons – the annual June-September rains crucial to millions of farmers in the country – will be delayed by around a week. The IMD, however, has predicted above normal monsoon rains this year.

Since April, around 400 people have died due to the heat wave across the country.

In Madhya Pradesh, two people died of heat stroke on Thursday including a 20-year-old student.

The day temperatures are hovering between 44 and 47 degrees, with Gwalior recording the highest 47 degree Celsius in the last 24 hours. No respite from heat wave is expected in the state soon, said state Met director Anupam Kashyap.

In Phalodi, baking under temperatures nudging 50 degree Celsius, the roads were deserted for most parts of Friday as people decided to remain indoors.
In most places in Rajasthan, the temperature dipped by 0.5 degrees to three degrees, but severe heat wave conditions were prevailing in many parts of the state.

Jaipur recorded 46 degree, 0.5 degrees less than Thursday and usually hot Churu recorded 48.1 degree, down from 50.2 degrees on Thursday. Similarly temperature drop was recorded in Ajmer, Pilani, Kota, Jaisalmer, Bikaner and Barmer.

In Ahmedabad, which recorded its hottest day ever at 48 degrees Celsius on Thursday, the heat wave continued to sweep the city and several other parts of Gujarat on Friday. More than 10 heat-related deaths have been reported from across the state, including four in Ahmedabad, so far this summer.

The worst appeared to be over for Bihar as a cyclonic storm over the Bay of Bengal pushed inland, raising possibilities of rains in the state.

"A cyclonic storm that is moving eastwards from Tamil Nadu has led to significant drop in maximum daily temperatures in Patna. In north-eastern Bihar, the temperature was even lesser," said Patna IMD Patna director AK Sen.

He said eastern Bihar would get good rainfall from Friday while other parts could experience drizzles.

THE HINDU BusinessLine

Drought dries up milk procurement in key States

Accumulated stocks of skimmed milk powder insulate consumers from price hike

The drought and heat wave across many States has impacted milk production, thereby affecting procurement by dairy co-operatives and private players.

In the key milk-producing States of Maharashtra, Gujarat, Uttar Pradesh and Rajasthan, the procurement of liquid milk has dropped 20-50 per cent, which is more than the usual seasonal decline witnessed during summer.

Experts blamed it on drought and the scarcity of fodder and water.

However, in Karnataka, which witnessed sporadic pre-monsoon showers in recent weeks, the trend in milk procurement has reversed, and has begun to pick up.

The impact of the decline in procurement has not hit the consumers both in terms of supplies and prices, thanks to the abundant supplies of skimmed milk powder (SMP), estimated at around 1.5 lakh tonnes at the beginning of the year.

Dairy players, while increasing the procurement prices to farmers, are relying heavily on SMP to maintain their liquid milk supplies.

Prices may rise

The Gujarat Cooperative Milk Marketing Federation (GCMMF), India's largest milk co-operative, which sells products under the Amul brand, has already raised concerns about a drop in milk procurement, which could possibly prompt it to increase prices for consumers in the near future.

GCMMF's estimated average milk procurement stands at about 180 lakh litres per day (LLPD), down by 35 LLPD, or 16 per cent, from the peak procurement of 215 LLPD in early January.

GCMMF Managing Director Rs. Sodhi had earlier confirmed the decline in milk procurement since January.

"Input costs for farmers have gone up. We expect milk and milk products prices to go up in the next two months," Sodhi had said in April. Milk procurement usually falls during summer, but a drought situation in a large geographical area over the milk-producing region seems to have intensified the fall.

In Maharashtra, where the drought has been had among the worst effect, the situation is particularly bad.

Milk procurement fell in April to 116 LLPD, down 30 per cent from 165 LLPD in January. Normally, milk production during summer declines by 7-

10 per cent as milch animals eat less due to the heat. But this time, the drop is more striking.

Procurement price hiked

According to a senior official at Mahanand Dairy in Mumbai, procurement has dropped sharply in April and May.

To keep the milk business remunerative for farmers, the procurement price was revised upwards earlier this year owing to the drought situation.

The price increase is in the range of ₹1-2 per litre, depending on the quality of the milk.

“The Cooperatives Federation and the local administration are ensuring fodder availability to avoid animal deaths. This is providing alternative income for people in distress. Even in the drought situation, milk procurement at our Mahanand dairy has remained stable at 4 LLPD,” said SD Wagh, Marketing Manager at Maharashtra Rajya Sahakari Dudh Mahasangh Maryadit, also known as Mahanand Dairy, an apex federation of district or taluka milk unions in Maharashtra.

Of the total average milk procurement of 116 LLPD in Maharashtra, about 70 per cent comes from private dairies, about 30 per cent from cooperative dairies, while a marginal 0.5 per cent comes from the public sector.

“Private dairies from Maharashtra sell about 18-20 LLPD in the open market in Telangana and Andhra Pradesh,” added Wagh.

The demand for SMP by dairies has pushed up prices of the powder in recent months.

“SMP prices, which hovered at ₹145-185 a kg during winter, are now about ₹220-225. We expect the accumulated SMP stocks in the country to be depleted by July,” said Rs. Khanna, Chairman, Kwality Ltd, a dairy firm in Delhi.

Price pass-through pressures

Delhi-based Kwality, which procures milk from Rajasthan, Haryana and Uttar Pradesh, has seen its procurement decline by 20 per cent and expects it to go down further by another 10 per cent next month when the mercury soars in the region.

Consumers have thus far been spared the impact in prices, though there has been an increase in prices for farmers, Khanna said.

The price per kg of fat for farmers has gone up to ₹600 from ₹540.

"Our procurement price for farmers has gone up around 12 per cent this summer," said Sandeep Agarwal, Director, SMC Foods.

India's milk production rose to 146 million tonnes in 2014-15 and the per capita availability stood at 322 grams per day.

"Our daily procurement – which touched a low of 59 LLPD during the peak summer – has now recovered with the onset of cool weather and the calving season. We are now procuring about 61.72 LLPD and expect it to go up further in the coming months," said P Nagaraju, Chairman of the Karnataka Milk Federation (KMF), the second-largest milk co-operative in the country.

During the peak production season last year, KMF's procurement had touched a high of 73 LLPD.

Monsoon advances in Bay as cyclone 'Roanu' readies to intensify

The US Climate Prediction Centre said a rather dry spell will emerge over the Western Indian Ocean and adjoining South Arabian Sea from early next week after 'Roanu' dissipates over Bangladesh

The South-West monsoon has advanced to some more parts of South-East Bay of Bengal and entire Andaman Sea as cyclone 'Roanu' to its North prepared to intensify as a severe cyclone.

The cyclone was located over North-West and adjoining West-Central Bay of Bengal 105 km east-northeast of Kalingapatnam, 50 km south-southeast of Gopalpur, 240 km west-southwest of Paradip, and 800 km west-southwest of Chittagong in Bangladesh.

Heavy rain

It will continue to move in a north-east track and is expected to cross the South Bangladesh coast between Khepupara and Cox's Bazar by Saturday evening, an India Met Department outlook said.

The storm may be moving over the seas but is not very from the coast, which means that it will continue to trigger heavy rain, high winds and rough seas along the northern parts of the East Coast of India.

The coasts of North Andhra Pradesh, Odisha, and Gangetic West Bengal are likely to be affected in this manner over the next couple of days.

Heavy rain has also been forecast for Assam, Meghalaya, Nagaland, Manipur, Mizoram and Tripura in the North-East and even in Kerala and Tamil Nadu in the South.

High winds

Wind speeds reaching 90-100 km/hr and gusting to 110 km/hr is likely to prevail along the coast of North Coastal Andhra Pradesh on Friday.

The winds will clock speeds of 60-70 km/hr gusting to 80 km/hr along and off the Gangetic West Bengal coast.

An outlook by the US Climate Prediction Centre said a rather dry spell will emerge over the Western Indian Ocean (and adjoining South Arabian Sea) from early next week after 'Roanu' dissipates over Bangladesh.

This could rule out the possibility of the monsoon making an onset over mainland India along the Kerala coast anytime soon.

Good monsoon forecast buoys fertiliser offtake

India's fertiliser requirement may go up this year with an anticipated 5-6 per cent growth in the applied fertiliser consumption, thanks to the good monsoon forecast.

However, the emerging situation warrants more fertiliser imports given the full capacity utilisation in the existing plants even after retrofits and revamp to realise its maximum output.

As the setting up of new plants is time consuming, the current situation favour imports in the near term. Hence, import of fertiliser raw materials, intermediates and finished products would expect to increase, a paper presented at the just concluded Asian Fertiliser Conference held in Beijing said.

Presenting the paper, MP Sukumaran Nair, fertiliser industry expert and former Special Secretary to Kerala Chief Minister, pointed out that the adoption of nutrient-based pricing strategy in the phosphate and potash fertilisers has led to large-scale increase in product price in the domestic markets. Over the years, import of raw materials such as rock phosphate and sulphur has gone up considerably and consequently, the operating margins started declining. The situation is no different in the case of potash where the whole requirement is met by imports.

Given such scenario, Nair suggested Indian manufacturers to enter into long-term contracts with overseas suppliers, operate joint venture facilities in countries, where raw material is available, or acquire fertiliser assets abroad to ensure a steady availability of plant nutrients to farmers.

In his paper – Outlook for Fertiliser Consumption in India: Future Demand and Import dependency – he blamed the meddled fertiliser policy in the last one and a half decade for fading away investors' confidence in setting up fertiliser manufacturing plants. However, he was of the view, that a speedy decision making process vis-à-vis policy and projects together with mandatory guidelines for diligent use and a balanced import strategy will revitalise the domestic fertiliser production in a big way.

Hit by drought, Marathwada farmers resort to distress sale of cattle

These are the hard times for farmers facing water scarcity and drought in milk producing regions of Gujarat and Maharashtra. While in Gujarat it is getting tough to raise cattle with scarce water and fodder availability, dairy farmers in Marathwada and Vidarbha regions of Maharashtra are parting off with their valuable 'asset' raising concerns on the future of milk production in the region.

The district administrations in worst-hit parts of Saurashtra in Gujarat are making special allocation of water and fodder for cattle, which continues to provide a livelihood to farmers. The government officials claim to provide an average of 20 litres of water per day and fodder at the rate of ₹2/kg to scarcity-hit regions as a relief measure. Estimates suggest that a mature milch animal would require anywhere between 5 and 8 kg of fodder in a day and about 10-15 litres of water per day.

Inadequate relief measures

However, the relief measures in drought-hit regions of Vidarbha and Marathwada do not seem to be sufficient to keep farmers from selling their important source of alternate income.

"Farmers are selling their cattle as cheap as dirt. The trend began two years ago but it became widespread now with drought getting severe. When there is an issue of survival for humans, how can they raise cattle?" informed Vijayanna Borade, a farm expert and activist.

Dwindling production

According to Maharashtra's Dairy Development Department, milk procurement in the Marathwada region has successively gone down by over 30 per cent since April 2014. The region – representing districts of Aurangabad, Latur, Osmanabad, Jalna, Beed, Nanded among others – had reported average 8.64 lakh litres per day (LLPD) of milk procurement in April 2014, which fell to 5.95 LLPD in April 2016.

Such is the extent of distress among the farmers that the cattle is being sold at almost half of the prevailing market price to the animal traders and farmers from nearby regions, he maintained.

“A cross-breed animal with a milk capacity of about 20 litres per day was priced in the range of ₹80,000-1 lakh earlier. Now it is available for ₹40,000-60,000 in parts of Marathwada and Vidarbha,” said SD Wagh, Marketing Manager at Maharashtra Rajya Sahakari Dudh Mahasangh Maryadit – also known as Mahanand Dairy.

CTC dust grades edge up at Kochi auctions

Despite low arrivals, good liquoring and popular mark teas in the CTC dust grades were dearer at the Kochi auctions this week.
Of the 8,74,000 kg on offer, leading blenders extended good support to this particular variety in sale no 20.

However, prices of other categories were irregular and lower by ₹3 to ₹5 and the decline was more for medium and plainer teas. Though demand from exporters and regional blenders was subdued, upcountry buyers lent fair support.

According to auctioneers Forbes, Ewart & Figgis, the orthodox market witnessed heavy withdrawals. The quantity on offer was 11,500 kg and exporters and upcountry buyers absorbed a small quantity.

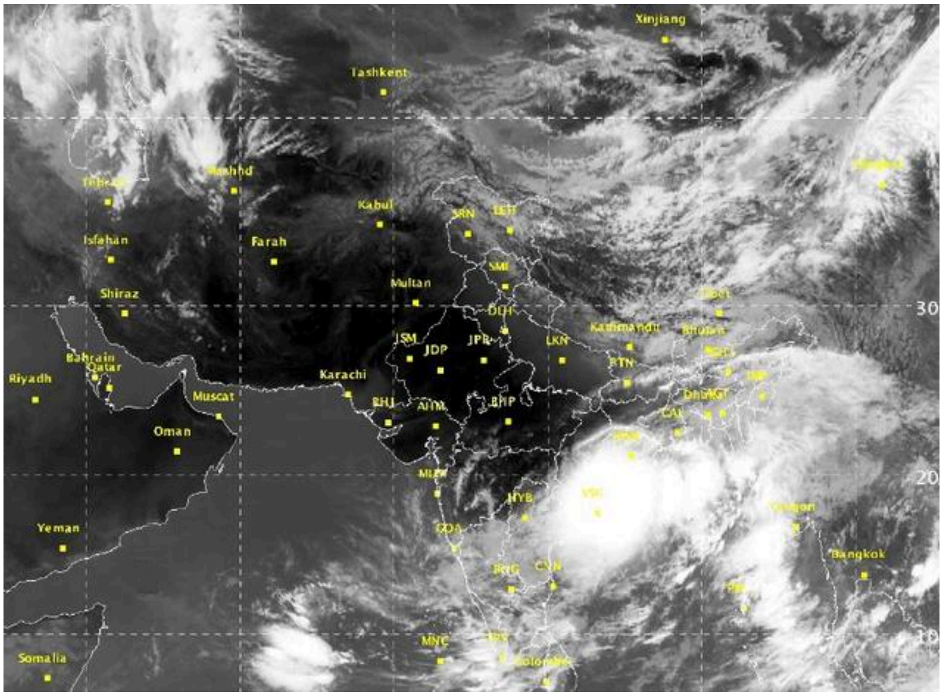
In the Cochin CTC dust quotation, good varieties fetched ₹106-140, mediums quoted ₹95-120 and plain grades stood at ₹90-97.

In the leaf category, the market for Nilgiri brokens and whole leaf barely remained steady and tended to ease. With subdued demand from exporters, the quantity on offer in the orthodox grades was 118,500 kg.

In the CTC leaf grades, good liquoring brokens were steady to firm and the quantity on offer was 59,000 kg. Exporters and upcountry buyers absorbed the bulk of the offerings sold.

In the dust grades, Mayura SD quoted the best price of ₹141, followed by Monica/ Pasuparai/ Waterfall SFD at ₹140. In the leaf category, Chamraj FOP-S (green tea) fetched the best price of ₹356, followed by P’s Woodlands-Hyson at ₹270.

‘Roanu’ may intensify as severe cyclone by tonight



Cyclonic storm ‘Roanu’ is expected to intensify a round into a severe cyclone off the Andhra Pradesh and Odisha coasts by tonight.

This morning, India Met Department located the cyclone to 60 km south-southeast of Visakhapanam and 120 km northeast of Kakinada in Andhra Pradesh.

Heavy to very heavy rain with isolated extreme falls have been warned for the rest of the day for Coastal Andhra Pradesh and Odisha.

Heavy rain is also forecast over Assam, Meghalaya, West Bengal, Sikkim, Nagaland, Manipur, Mizoram and Tripura.

High winds and rough seas have been warned off and along the coast of North Coastal Andhra Pradesh and Odisha for today.

Tracking over the sea but not far away from the coast, ‘Roanu’ will continue to move into the sea off Odisha and intensify.

According to an India Met outlook, it would cross land over South Bangladesh between Khepupara and Cox's Bazar by Saturday night or early Sunday morning.

Edible oils in bear grip

Edible oils market extended bearish trend on weak demand and reselling pressure. On the BCE, soya and rapeseed oil declined by ₹1 and ₹10 per 10 kg each. Palmolein was steady despite a rebound in Malaysian palm oil futures. Sources said volume remained subdued as stockists stayed away and preferred to fulfil old commitments.Liberty was quoting palmolein at ₹602, super palmolein ₹612, soyabean refined oil ₹655. Ruchi's rates: palmolein ₹596, soyabean refined oil ₹628 and sunflower refined oil ₹731. At Rajkot, groundnut oil *telia* tin was steady at ₹1,790 and loose (10 kg) was ₹1,130. BCE spot rates (₹/10 kg): groundnut oil 1,180 (1,180), soya ref. 627(628), sunflower exp. ref. 660 (660), rapeseed ref. 840 (850), cottonseed ref. 651 (651) and palmolein 577 (577).

Business Standard

Royalty cap blow for new GM seeds

The fee will be capped for the first five years, from the time when the technology is commercialised in India, after which it will be lowered by 10% every year

In a blow to seed technology providers such as Monsanto, the government has capped the trait value (similar to royalty fee) for all new genetically modified(GM) seed technologies at 10 per cent of the maximum sale price.

The fee will be capped for the first five years, from the time when the technology is commercialised in India, after which it will be lowered by 10 per cent every year.

The government already regulates the retail sale price of BT cotton seeds. Cotton is the only crop in which GM technology is allowed for commercial use in India.

Apart from this, the latest government notification has also prescribed a new format for sub-licensing agreements that all seed technology providers would have sign with the seed companies.

If such an agreement is not signed within next 30 days, all old agreements would be considered invalid, the notification said.

Monsanto's Indian subsidiary, Mahyco Monsanto Biotech Ltd (MMBL), has sub-licenced GM cotton seed technology since 2002 to 50-odd domestic seed companies. First it sub-licenced BG 1 technology, which went off-patent in 2006, thereafter, has been sub-licensing BG 2 technology.

The GM seeds produced through this technology occupy over 95 per cent of the Indian cotton market. New technology, BG-3, is in the pipeline but its commercial use has not been approved in India so far.

Seed companies allege that MMBL collected around Rs 530 crore annually as trait value from Indian seed companies for its technologies. According to estimates, since 2002, MMBL has collected over Rs 7,000 crore as trait value from seed companies alone. The annual Indian GM seed market is worth Rs 3,500 crore.

The maximum selling price of BG-2 technology seeds is already being regulated by the government through the Cotton Seeds Price Control Order, 2015.

For the 2016-17 cotton season, maximum retail sale price for a 450-gm GM cotton seed packet has been fixed at Rs 800, lower than the prevailing price range of Rs 830-1,030.

This effectively means that seed licence providers won't be able to charge any trait value, irrespective of the cost at which the seed has been produced for a new technology, which they want to introduce in the market.

The agriculture ministry has also capped the upfront fee for the new GM trait at Rs 25 lakh. This is to be paid in two equal annual instalments.

In the new licensing norms, technology providers will have to give licence to all companies seeking GM technology if they fulfil the 'minimum requirement criteria'. The seed companies can also develop their own seeds through research and development, without taking a no-objection certificate from the licence providers.

"For the first time, the technology providers would be authorised to get some kind of a minimum royalty/trait fee. We have kept the royalty at not more than 10 per cent in India, while the global average is seven per cent. If it is below 10 per cent, they can negotiate directly," Press Trust of India reported, quoting an agriculture ministry official.

Meanwhile, Shivendra Bajaj, executive director, Association of Biotechnology-Led Enterprises - Agriculture Focus Group said the Centre's gazette notification is a huge blow to the innovators in agri-biotech sector. "It clearly indicates the intention of the government to disregard research and innovation and thereby not protecting IPR (intellectual property rights) in the sector. This order creates an environment of policy unpredictability and arbitrariness of decision making, which is contrary to the recently-launched IPR policy. Such a decision is a discouragement of research and is contrary to our Prime Minister's vision of bringing research into the hands of farmers," Bajaj said.

Kalyan Goswami, executive director of National Seed Association of India said, "The new notification seeks to address the issue of failure of non-performance of technology. Now, one-sided licensing terms of technology provider will no longer hold ground."

This will do away with the "monopolistic practice and create a level-playing field for all," he added. The new guidelines also prescribe that the technology provider would not be eligible for any royalty whatsoever if a GM trait loses its efficacy as reported by states and verified by the Indian Council of Agricultural Research.

India's organic food market to treble in four years

Farmers face challenges to bring area under organic farming; organic food, however, may not be adequate to feed the growing population

The market for organic food in this country is likely to treble in the next four years, according to a report from business chamber Assocham and TechSci Research, a non-government body.

It estimates the current market (pulses and foodgrain the bulk) at $500 million (about Rs 3,350 crore). It was $360 million (Rs 2,400 crore) in 2014, says the study.

However, the study points to various challenges in sustaining such growth, "due to lack of government support, the courage (needed) to convert inorganic land into organic land, and absence of globally recognised consultancy for timely guidance to farmers. Thus, huge support from states and the Centre is required", said D S Rawat, secretary-general, Assocham.

Attempts by many state governments to promote organic farming have not yielded the desired results, it says. The current certified area under organic farming in Punjab, for instance, is estimated at no more than 2,000 acres. And, there are critics.

"Organic agriculture has become irrelevant. India was indeed practicing organic agriculture till the 1960s but we faced acute shortage of food and had to depend on imported foodgrain. Thanks to (different) practices since then, Indian agriculture has steadily grown to make the country the second largest in production in the world. It is rather amusing that chronically food deficient states like Sikkim and Kerala brag about organic agriculture; foodgrain produced from Punjab and Haryana actually feed the people of these two states," said Rajju Shroff, chairman, Crop Care Federation of India (a body representing agro-chemicals manufacturers and formulators).

A recent Grant Thornton-Ficci report titled estimates India's foodgrain requirement at 333 million tonnes, well over the current output figure.

The government, meanwhile, has set a target to bring 500,000 acres under organic farming in three years, with allocation support of Rs 412 crore. Experts say a policy framework is needed for utilising this. Rawat adds it takes three years to convert farm land to organic practices. Which means farmers must be adequately compensated for full and half-crop losses in the first and second year, respectively.

THE TIMES OF INDIA

Training course on agriculture based small scale industries held at Punjab Agricultural University

Five-day training course for establishing agriculture based small scale industries was conducted by the Department of Processing and Food Engineering of Punjab Agricultural University (PAU) at Kairon Kisan Ghar here. During the course the participants were made aware of project preparation and the process of getting loans from the nationalized banks for establishing small scale agriculture based industry.

On the occasion, Amarjit Singh and Mohammad Safiq shed light on the importance of establishment of agriculture based workshops especially the machinery required for processing of honey.

The experts from various fields motivated the trainees to explore the technology and machinery of poultry and dairy feed, turmeric and chilly processing, post-harvest preservation technologies of fruits and vegetables and quality control aspects.

WEATHER-FARMER

Pune, May 20 () Farmer's weather bulletin for

Pune, May 20 () Farmer's weather bulletin for Maharashtra and Goa states.

Forecast valid until the morning of May 25, 2016:

For May 20: Rain/thundershowers are likely to occur at isolated places over south Konkan, Goa and Vidarbha. Dry weather is likely to prevail over north Konkan, Madhya Maharashtra and Marathwada.

For May 21: Rain/thundershowers are ikely to occur at isolated places over south Konkan and Goa. Dry weather is likely to prevail over north Konkan, Madhya Maharashtra, Marathwada and Vidarbha.

For May 22: Dry weather is likely to prevail over Maharashtra and Goa states.

For May 23: Rain/thundershowers are likely to occur at a few places over south Konkan and Goa and at isolated places over north Konkan, Madhya Maharashtra and Marathwada. Dry weather is likely to prevail over Vidarbha.

For May 24: Rain/thundershowers are likely at many places over south Konkan and Goa, at few places over north Konkan and at isolated places over Madhya Maharashtra, Marathwada and Vidarbha.

Heavy rainfall Warning:

For May 20: Heat wave conditions are likely to prevail at isolated places over north Madhya Maharashtra and Vidarbha.

For May 21-22: Heat wave conditions are likely to prevail at isolated places over Vidarbha.

Outlook: No large change. Kolhapur
34.9 25.6 Panjim
34.4 29.3 Ratnagiri
34.2 28.1 Sholapur
42.1 26.6 Satara
39.1 25.9 Sangli
35.0 25.4 RDS SDL

Centre withdraws subsidy for sugarcane farmers

The Union government has withdrawn its subsidy of Rs 45 per tonne to farmers for sugar export before it could benefit the large-scale farmers.

A decision regarding the matter was issued on Thursday evening, a copy of which is with TOI.

The Centre had asked mills to export sugar on priority and had given an assurance in November 2015 that it would transfer Rs 45 per tonne to the farmers' account as compensation, providing relief to mills and farmers as well.

The government withdrew its decision with immediate effect citing reasons like increased domestic prices for sugar demand in the current year. It said that sugar prices are in a better position, hence, there is no need for the subsidy. Mills have expressed their disappointment over the decision.

Sugar prices, which were hovering around Rs 19,000 per tonne in the wholesale market in December 2015 , have now sincreased to Rs 35,000 per tonne. The Centre pointed out that in such situation, there is no need to disburse the subsidy to the farmers since the mills can make the payment.

P G Medhe, consultant to Chhatrapati Rajaram Cooperative Sugar Mill in Kolhapur, said, "This is a major setback for mills. We were a bit relieved when our burden was partially shared by the government. The withdrawal of this decision will mean that mills will be suspicious about the Centre's every move. The excess supply of sugar in the country has already put a lot of pressure on the mills. There is no guarantee of good returns on current stock of produced sugar, and in such a situation, the government's subsidy of Rs 45 per tonne support to the farmers was a boost. Now, it is the mills' responsibility to make payment."

Raju Shetti, farmers' leader and member of parliament, said, "This means that mills will have to sell their sugar at the current market prices so that they can make payment to farmers. Mills were already pressurised by the state machinery to make payment to the farmers. Some mills have also faced suspension of their crushing licence. The new twist will put more pressure on mills and they will be forced to sell sugar, which will keep retail prices under check."

The Centre's production subsidy had come as an offset for mills which were stressing on their inability to pay sugarcane purchase price as per the fair and remunerative price (FRP) formula. "The subsidy shall be paid directly to farmers on behalf of the mills and be adjusted against the cane price payable to the farmers towards FRP including arrears for previous years. Subsequent balance, if any, shall be credited into the mill's account. Priority will be given to settling cane arrears of the previous years," read the official release after the cabinet committee of economic affairs had taken the decision. The idea was to clear old dues so that sugar mills will be eligible for fresh loans for the next crushing season.

Minimum support price in sight for 20 crops

Maharashtra co-operatives minister Chandrakant Patil on Friday said the state government was in the process of assessing the feasibility of introducing minimum support prices for 20 crops, including onions and potatoes.

Patil was in the city to attend the programme organised by Nashik Road Deolali Co-operative Bank to provide financial assistance to kin of farmers who committed suicide. The families of 88 deceased farmers received 20,000 each.

Patil said, "The farmers are incurring losses due to low rates. The government is looking at the possibility of introducing MSP to 20 crops, including onions and potatoes, in the interest of farmers." He added, "Both farmers and consumers should get better prices. Which is why we are trying to find the middle ground between the two. We are in discussion the issue with the Chief Minister Devendra Fadnavis."

Patil said, "Drought has ravaged the state and farmers have suffered huge losses. But a waiver of crop loans is not a solution as it will only give temporary relief. We want to strengthen the base of farmers. The government is taking various measures like Jalyukt Shivar to bring maximum land under irrigation and to strengthening the Agriculture Produce Market Committees (APMCs) in the state. These APMCs will have cold storage, godowns and other facilities."

He added, "The government has also decided to restructure crop loans. Rs 4,000 crore are to be disbursed for the purpose shortly."

"The previous government spent Rs 70,000 crore for irrigation projects and brought only 1 per cent agriculture land under irrigation," said Patel in criticism of the Congress and NCP government .

Karnataka suffered crop loss worth Rs24k crore last year, says Chief minister Siddaramaiah

Chief minister Siddaramaiah on Friday said Karnataka suffered a cumulative crop loss of around Rs 24,000 crore owing to failure of monsoon and rain during autumn.

Noting that young farmers are moving away from agriculture as they no longer find it profitable due to vagaries of nature, Siddaramaiah urged graduates in agriculture, horticulture and veterinary science to work with rural people and help them realize the 'lab to land' initiative and ensure diversification of crops and integrated farming.

The CM said fragmentation of land has made agriculture unviable. He said villages are turning into oldage homes as more youths are flocking to cities in search of employment and better future.

THE ECONOMIC TIMES

Government caps royalty fee on new GM cotton traits at 10%

After the 5 year period, royalty would reduce by 10% of initial value every year. If the GM technology loses its efficacy, the technology provider would not be eligible for any royalty.

NEW DELHI: Seeking to further regulate cotton seed market, government today capped royalty for the new genetically modified (GM) traits at 10 per cent of the maximum sale price of BT cotton seeds for the first five years -- a move that could hurt biotech major Monsanto's India business.

After the five year period, royalty would reduce by 10 per cent of initial value every year. If the GM technology loses its efficacy, the technology provider would not be eligible for any royalty.

Issuing a notification on licensing guidelines for GM cotton seeds , the Agriculture Ministry has also capped upfront fee for the new GM trait at Rs 25 lakh to be paid in two equal annual installments.

Prescribing a new format for bilateral agreements, the notification said the existing signed pacts between licensors (technology providers) and licensees (seed firms) would become invalid and they should execute the agreement in new format in next 30 days.

This will impact Monsanto's subsidiary Mahyco Monsanto Biotech Ltd (MMBL) which has sub-licensed Bt cotton seed technology since 2002 to 50 domestic seed companies.

The new licensing norms have been issued to ensure that all eligible seed companies get access to the GM technology, while technology providers like Monsanto are adequately rewarded under the "fair, reasonable and non-discriminative mechanism (FRAND mechanism)".

The 'Licensing and Formats for GM Technology Agreement Guidelines, 2016' comes two months after the Centre had fixed the MSP of Bt cotton seed packets at Rs 800 per packet for bollgard (BG)-II version of Bt cotton hybrid, including Rs 49 for the trait value.

The seed price was fixed as per the Cotton Seeds Price Control Order issued in December 2015.

According to the notification, "For a new GM trait, commercialised after this notification, the maximum trait value may be upto 10 per cent of MSP of the

GM cotton seed as fixed by the central government every year, for the initial period of five years from commercialisation. From the sixth year onwards, it shall taper down every year at 10 per cent of the initial trait value."

Explaining the need for the guidelines, a senior Agriculture Ministry official said, "For the first time, the technology providers would be authorised to get some kind of minimum royalty/trait fee. We have kept the royalty not more than 10 per cent in India, while the global average is 7 per cent."

"If it is below 10 per cent, they can negotiate directly. This gives some legal cover to charge royalty. Right now, it was being done through one sided contracts, essentially not backed by any law," the official added.

To encourage competitiveness in the cotton seed market in the interest of farmers, the new guidelines prescribe that licensors should consider all eligible applications seeking license to obtain new GM technology.

Monsoon delay may not significantly impact sowing: Shobhana K Patnaik

NEW DELHI: The delay in arrival of southwest monsoon by a week is unlikely to have any significant impact on sowing of kharif crops, Agriculture Secretary Shobhana K Patnaik said today.

Southwest monsoon has hit Andaman and Nicobar Islands today, but the current cyclone in the Bay of Bengal will "weaken its progress", thereby delaying onset of monsoon in Kerala , as per the India Meteorological Department (IMD).

Normally, it takes 10 days for monsoon to hit Kerala and IMD has projected that it would set over Kerala on June 7 with a model error of plus or minus four days.

"The IMD has forecast six days delay plus or minus four days in arrival of monsoon. We are keeping a close watch. We feel a week's delay in arrival of rains may not have significant impact on the kharif sowing," Patnaik told PTI.

Even if there is delay, rains are expected to make progress after June 7 and boost sowing operation, he said.

Stating that present water level in reservoirs is low, Patnaik said the state governments have been asked to keep ready with district-wise contingency plan in case the monsoon delays further, he said.

The government has positioned sufficient supply of fertilisers, quality and certified seeds and other necessary farm inputs for the kharif sowing at state levels, he added.

Southwest monsoon, the lifeline of India's agriculture, starts in June and its progress triggers sowing of kharif crops like rice, pulses, corn, sugarcane, cotton and soyabean is undertaken.

IMD has forecast above normal rains this year after two consecutive years of drought.

S & P Global Platts reduces India's sugar production estimates to 25.1 million mt

Based on ISMA’s update, overall sugar production in the country till end-April in the 2015-16 crop year, was 24.6 million mt, down 11% from a year earlier.

KOLKATA: S & P Global Platts has reduced India's sugar production estimates between October 2015 - September 2016 from 25.6 million mt to 25.1 million mt. The reduction in estimates mainly stems from a sharp fall in output recently, made more evident by ISMA's latest production update on April 30.

There are major reductions in our estimates for two key states -- Uttar Pradesh and Karnataka -- where they were reduced to 6.9 million mt from 7.2 million mt, and 4.1 million million mt from 4.2 million mt.

Based on ISMA's update, overall sugar production in the country till end-April in the 2015-16 crop year, was 24.6 million mt, down 11% from a year earlier.

In the report titled Kingsman Sugar Supply & Demand update of S&P Global Platts it has been said that production across the country is almost complete for this crop year with only 48 mills continuing with crushing operations currently, compared with 97 a year ago. Of these mills, 35 are in Tamil Nadu , while the rest are in Maharashtra, Karnataka and Haryana. Only one mill is still operating in Uttar Pradesh.

Production in the key state of Maharashtra stood at 8.4 million mt for the 2015-2016 season till end-April, compared to 10.3 million mt a year ago. In the case of UP, the second largest sugar producing state, output for the same period was 6.8 million mt, compared to 7 million mt a year ago. In light of the fast pace of closure of mills across India, given low cane availability on account of dry weather in the 2015-2016 season, ISMA revised its production estimate to just above 25 million mt from 25.7 million mt.

In the case of UP, where a reduction of 300,000 mt in sugar production levels to 6.9 million mt is expected, we see a 3% reduction in average agricultural yields in the state at 51.2 mt/ha, which has resulted in overall cane availability going down by 7.4% to 70 million mt with sucrose recoveries of 9.8%.

Vegetable prices up due to heatwave, tomato may cost Rs 50/kg

NEW DELHI: Vegetable prices firmed up in the first fortnight of May as heatwave conditions scorched most parts of the country and traders expect prices to remain volatile, likely affecting consumer inflation this month.

Prices of food articles, which have a 14 per cent weight in the wholesale price index, rose 4.23 per cent in April and vegetable prices rose 2.21 per cent, according to data from the Central Statistics Office. Potato prices surged 35.45 per cent from 3.57 per cen ..

The trend is expected to reverse only after the onset of the monsoon next month and consumers may not have to worry about food prices rising unless the rains are delayed.

"Severe heatwave condition across most parts of India has led to dropping of flowers and fruits, thereby impacting production and increasing prices," said Shriram Gadhave, president of the All India Vegetable Growers Association in Pune. He said prices were firm and will continue to rise over the next few days. " Tomato currently being sold at Rs 20 a kg in wholesale will touch Rs 50-60 a kg in the next few days," he said.

Rajender Sharma, former chairman of the Azadpur Agricultural Produce Marketing Committee in Delhi, said supplies of vegetables from outside the state, have been slow for the past two weeks and on some days, wholesale prices jumped 50-100 per cent.

"In retail, prices will be 3-4 times higher. In hot weather, losses to the vendor are higher and hence he will keep prices firm," said Sharma, adding that supplies from the Yamuna bank are expected soon. Ladies finger was available for Rs 13-23 a kg in Delhi's wholesale markets and was being sold Rs 60-70 a kg at the retail level. In Pune, tomato wholesale prices were Rs 20 a kg compared with retail rates of Rs 35-40 a kg.

Sugar industry makes a turnaround on back of strong policy and rise in demand for ethanol

The sector has gained handsomely from the use of ethanol, an alcohol that can be produced either by fermenting cane juice or from molasses, a byproduct of sugar mills.

NEW DELHI: India's sugar sector has turned around, helping farmers recover long-pending sugarcane arrears, as mills have been able to make payments with the help of strong policy initiatives including an unprecedented increase in blending ethanol with petrol, which has also saved the country nearly $300 million in oil imports, officials said.

he changes have significantly eased the sector's plight as sugar output has exceeded demand since 2010, which led to such a glut that sugar prices fell below input costs, wiping out the industry's ability to pay farmers on time, they said. In the past, mills were unable to start operations on time, prompting states to browbeat them with criminal cases. Cane arrears had shot up to Rs 22,000 crore in April 2015, which was about a third of the total value of cane purchased by the industry.

Now all farmers have been paid their dues barring Rs 438 crore due to legal or local issues in Maharashtra and Karnataka, while shares of sugar firms such as Bajaj Hindustan, Balrampur Chini and Mawana Sugars are trading close to their 52-week highs.

The sector has gained handsomely from the use of ethanol, an alcohol that can be produced either by fermenting cane juice or from molasses, a byproduct of sugar mills, officials said. Sale of ethanol for blending in petrol rose to 67 crore litres in 2014-15 from 38 crore litres the previoius year, and is expected to double in 2015-16.

This has come as a big relief as the fortunes of India's sugar industry has a direct bearing on millions of people. The industry produces 26-28 mt a year from 530 mills, employs 5 million people directly or indirectly and buys cane worth more than Rs 60,000 crore from farmers every year.

Officials said that the plunging fortune of farmers and millers prompted the government to take several policy initiatives such as offering soft loans with a one year moratorium on interest payments. Unlike in the past, the banks would pay farmers directly while loans went in the books of the mills.

In 2015-16, banks disbursed Rs 4,305 crore for payment of cane dues. Direct payment to farmers by banks amounted to direct benefit transfer, which reduced arears substantially, officials said. They said that without this mechanism, mills may have diverted the money or delayed payments to farmers.

Long dry spell affects output in Bengal tea industry

The tea belt in Sub Himalayan West Bengal is under even worse situation where rainfall in the week beginning 4th May has been recorded as 49.4mm with a departure of minus 30% from long duration average. The cumulative rainfall during the whole season here remained 9 % below normal level.

SILIGURI: Although Monsoon is yet to touch the whole country, raindrops have started soaking the soil in different regions. But prolonged dry spell that is still continuing in sub Himalayan West Bengal has already caused heavy production loss to the labour intensive tea industry.

"Tea plantations are always dependent on the whims of weather. So production loss due to adverse weather is nothing new. But the situation this time has gone far from absorbable level for this labour intensive industry. After around 40% production downfall in April, we had 15% less than excepted yield in May first half," said veteran planter M. Bansal.

"Beside around 40% green leaf production loss during March April, low rainfall has substantially increased our irrigation and pest management cost pulling up our cost of production. But, the price realization has gone down in the tune of around Rupees 5 to 6 per kg compared to last year same period," said K K Mintry, Chairman TeraiBSE 3.28 % India Planters Association.

Things have become even tougher for the small growers. "Organized big gardens are somehow managing with artificial irrigation. But that is not possible for the small growers. Though exact quantification of production loss is too tough, as per rough estimation, in small tea grower sector in this region it should not be of less than worth Rs 100 crore," said B G Chakroborty. Secretary of CISTA, a national umbrella body for thousands of small tea grower.

Beginning 4th of May, nationwide rainfall for the week has been recorded as favorable 12mm, 3% higher than the long term average for this period. But cumulative rainfall during whole meteorology season beginning 1st March remained much below normal with only 77.3mm of downpour, around 12% lesser than long term average.

The tea belt in Sub Himalayan West Bengal is under even worse situation where rainfall in the week beginning 4th May has been recorded as 49.4mm with a departure of minus 30% from long duration average. The cumulative rainfall during the whole season here remained 9 % below normal level.

However, the meteorologists have given hope for the silver lining of approaching favourable monsoon. But, "In plantation, a loss once incurred can never be compensated," said Mintry.