

## ACFI NEWSLETTER

JULY 2024

## Legal guarantee for MSP is a must

**PROTECTION NEEDED.** Farmers deserve a Fair and Remunerative Price that covers labour, input and other costs

BHUPINDER SINGH HOODA

**T**he recent increase in Minimum Support Prices (MSPs) for 14 kharif crops has disappointed protesting farmers and those hoping to double farmers' income. The announced increase in prices is being dismissed because it does not consider the price inflation in various farm inputs that farmers have had to deal with. The nominal increase in MSP limits farmers' ability to receive fair compensation as it does not proportionally reflect the rise in input costs.

The hike in paddy MSP from ₹2,183 per quintal to ₹2,300, a difference of only ₹117, reflects an insignificant increase of around 5 per cent. This seems unfair to millions of paddy growers as their input costs have increased by over 20 per cent in the past year.

The MSP announcement seems to be more of a routine seasonal price revision rather than a step towards doubling farmers' income, as recommended by the government's expert committee report in August 2017. There is no effective measurement of the progress made towards doubling farmers' income, and the government has been cautious in legalising the MSP, fearing it could trigger inflation and make agricultural exports less competitive.

The MSP regime was established in 1965 with the setting up of the Agricultural Prices Commission (APC) as a form of market intervention to enhance national food security and shield farmers from sharp market price declines. Despite objections from market supporters, MSP is not against the principles of free markets; instead, it helps to minimise extreme market fluctuations and volatility.

The current remuneration for farmers does not align with the MS Swaminathan committee recommendations, which suggested a cost calculation incorporating total input costs of production plus 50 per cent (the C2 formula). This formula accounts for paid-out costs, the imputed value of family labour, interest on owned capital assets, rent for leased-in land,

**MANY CHALLENGES.** Farming in India is becoming increasingly unprofitable

and the rental value of owned land. The announcement of MSP plus 50 per cent in the 2018 Budget seemed more like a gimmick than a sincere commitment to the farmers.

Farming in India is becoming increasingly unprofitable due to rising production costs, stagnant yields caused by soil fertility loss, declining groundwater levels, and the government's corporate-centric approach. When there is a choice between what consumers pay and what farmers receive, governments tend to prioritise the interests of profit-making

**Despite objections from market supporters, MSP is not against the principles of free markets; instead, it helps to minimise extreme market fluctuations and volatility.**

corporations engaged in agri-produce processing, which are already enjoying legalised MRP (Maximum Retail Price) on their products. While intermediaries often claim a significant portion of the margin between farm and end-consumer prices, the corporate-centric approach has significantly impacted the farmers.

The agricultural sector has faced numerous challenges over the years, and there is a pressing need for a legal guarantee for MSP to address this crisis. Despite the agreement reached with protesting farmers, the Central Government has not taken concrete action in the past two years. The government should have promptly addressed the demand for a legal guarantee for MSP and other issues to transform the country's focus from food security to nutrition security.

There is a growing argument against legalising MSP, claiming that creating legal provisions is practically impossible. The combined value of all

crops covered under MSP may exceed ₹11-lakh crore, while India's total budgeted expenditure in 2023-24 was around ₹45-lakh crore.

Therefore, it seems impractical for the government to allocate ₹11-lakh crore solely to purchase crops from farmers. However, farmers do not sell their entire produce and use approximately 25 per cent of it for personal and livestock consumption.

**OBLIGATION ON PRIVATE PLAYERS**

The argument in support of the legality of MSP is clear and strong. Instead of government procurement agencies being enforced for the purchase of crops, private players must be legally obligated to buy products at or above MSP. Strict monitoring systems should be in place with punitive measures for violations. Currently, there are systems in place to ensure that the private mills have to procure sugarcane from farmers at prices equal to or above the Fair and Remunerative Price (FRP) announced by the Cabinet Committee on Economic Affairs (CCEA) from time to time. Similar measures should be implemented for other crops covered under MSP.

Furthermore, direct compensation must be provided to farmers if they are compelled to sell their produce below MSP. The government should reimburse the difference between the MSP and the price the farmers receive.

Finally, the legal guarantee for MSP must be introduced and implemented as Fair and Remunerative Price, inclusive of labour costs, expenses, fertilizers, irrigation, and interest paid on working capital and ground rent in case of leased land. The cost of labour of the farmer or any other person of his family who contributes to agricultural work must also be factored into the cost of production.

A holistic national agriculture policy, embodied with effective and efficient procurement policy of every grain as well vegetables and fruits on FRP, is needed. The FIVE 'Cs' — Conservation of water and soil, Climate change resistance, Cultivation, Consumption, and Commercial viability — are crucial for the livelihoods of farmers across the country.



# RBI looks to ease export, import transaction norms

Grants more autonomy to banks for efficient services to forex customers

ABHIJIT LELE

Mumbai, 2 July

**T**he Reserve Bank of India (RBI) has proposed rationalisation of norms governing export and import transactions to promote ease of doing business and empower banks to deliver quicker and more efficient services to foreign exchange customers. According to draft norms, every exporter should furnish a declaration specifying the amount of the full export value of the goods or services.

The amount representing the full export value of goods and services shall be realised and repatriated to India within nine months from the date of shipment for goods and date of invoice for services, the RBI said.

This was part of the draft regulations released by the central bank on Tuesday under the Foreign Exchange Management Act (FEMA) and directions to authorised dealer banks. It sought comments by September 1, 2024.

The draft proposed that the authorised dealer may place an exporter, who has not realised the full value of export within the time specified, in the caution list. An exporter who has been in caution listed can undertake export only against receipt of advance payment in full or against an irrecoverable letter of credit, to the satisfaction of the authorised dealer.

The draft said no advance remittance for the



**RBI said amount realised for exports must be repatriated within nine months**

import of gold and silver should be permitted unless specifically approved by the central bank. Advance payment for export of goods and services can be received according to the export contract. Rate of interest charged on the advance for export shall not exceed the all-in-cost ceiling of trade credit.

The RBI draft norms said if the exporter was unable to meet the export obligation according to the terms of contract, the advance received should be refunded immediately. The authorised dealer could grant extension of time for the completion of the export obligation.

As for project exports of goods and services on deferred payment terms, the RBI proposed that the exporter should submit the proposal for prior approval of the authorised dealer before entering into such export arrangement. This rule will be applicable for execution of a turnkey project or a civil construction contract under projects exports.



# Comm min developing platform for registering non-tariff barriers

## OUR CORRESPONDENT

**NEW DELHI:** The Commerce Ministry is developing a platform for registering non-tariff barriers (NTBs) faced by exporters and taking up with the concerned countries for their resolution, a senior official said. At present, there is an information gap on these barriers particularly for small items.

"We are making a portal so that we can prioritise all the NTBs. Traders will register their complaints and the ministry will pursue that," the official said. In cases where the barrier is impacting a large volume of goods will be prioritised for their redressal and action-taking.

Economic think tank GTRI in its report has stated that India needs to act in a fast-track manner for the removal of NTBs, being faced by domestic exporters in different countries like the US, China and Japan, to achieve export target of \$1 trillion for goods by 2030.

Many of India's food and agriculture products face problems due to higher pesticide levels, presence of pests and contaminations due to foot and mouth disease.

India's exports are far below potential as they face NTBs in the EU (European Union), the US, China, Japan, Korea and many other countries.

Key Indian exports that routinely face high barriers include chillies, tea, basmati rice, milk, poultry, bovine meat, fish, chemical products to the EU; sesame seed, black tiger shrimps, medicines, apparel to Japan; food, meat, fish, dairy, industrial products to China; shrimps to the US; and bovine meat to South Korea.



According to the report, the other products which face these barriers include ceramic tiles in Egypt; chilli in Mexico; medicines in Argentina; microbiological regents in Saudi Arabia; electrical, medical devices, and household appliances in Brazil; veterinary pharmaceuticals, feed additives, and machinery in Russia.

Most non-tariff measures (NTMs) are domestic rules created by countries with an aim to protect human, animal or plant health and environment. NTM may be technical measures like regulations, standards, testing, certification, pre-shipment inspection or non-technical measures like quotas, import licensing, subsidies, and government procurement restrictions.

When NTMs become arbitrary, beyond scientific justification, they create hurdles for trade and are called NTBs (non-tariff barriers).

India's exports of basmati rice, chillies, tea and many other agricultural products face difficulty in foreign markets due to the higher use of pesticides and fungicides.

The traces of pesticides left in treated products are called 'residues' and a maximum residue level (MRL) is the highest level of a pesticide residue that is legally tolerated in food or feed.

# RBI proposes to ease forex rules for exporters

Traders to be heard before being asked to get full payment before shipments

**MUKESH JAGOTA**  
New Delhi, July 2

**THE RESERVE BANK** of India (RBI) has proposed that banks who are authorised dealers of foreign exchange should give reasonable opportunity to traders to be heard before being 'caution listed'.

The proposal is part of the draft of Foreign Exchange Management (Export and Import of Goods and Services) Act Regulations 2024 released on Tuesday by the central bank for public comments.

Exporters who fail to realise payments for exports over 24 months are caution-listed. Once a firm gets the tag, then shipments can only be made by it against full advance payment or letter of credit.

Under the current rules, all proceeds from exports of goods and services have to be brought back to the country within 270 days or nine months. This is proposed to continue under the new draft.

Prior to 2020, caution-listing was done by the RBI if payments for exports got delayed beyond 24 months and was done automatically by the computer system if the payment was not reflected against the shipped goods. This job was later given to the authorised dealers as sometimes banks failed to update the receipt of payment on time and the system at RBI would automatically caution-list them.

With the new proposed guidelines if an exporter can demonstrate that the delayed payments are still being pursued then he might escape the caution list.

According to the draft guidelines exporters who have been caution listed can undertake shipments only against receipt of



## RELIEF MOVE

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■ Prior to 2020, caution-listing was done by the RBI if payments for exports got delayed beyond 24 months

advance payment in full or against an irrevocable letter of credit, to the satisfaction of the authorised dealer.

As per the draft, every exporter should furnish to the specified authority a declaration specifying the amount representing the full export value of the goods or services.

"The amount representing the full export value of goods and services shall be realised and repatriated to India within nine months from the date of shipment for goods and date of invoice for services," the draft reiterated. According to the draft, no advance remittance for the import of gold and silver should be permitted unless specifically approved by the RBI.

The RBI said the proposed regulations are intended to promote ease of doing business, especially for small exporters and importers.

# '99% of natural farming produce is pesticide-free'

**Gandhinagar:** Tests conducted by the food quality testing laboratory of Navsari Agricultural University have revealed that 99% of agricultural products grown using natural farming methods have been found to be free of any pesticides, state govt said on Friday.

The produce was checked for 51 kinds of pesticides,

and none were detected during the tests.

The university lab tested naturally farmed produce from farmers in central and south Gujarat.

The official statement said that about 150 samples of grains, fruits and vegetables were tested as per the system prescribed by the central govt. **TNN**



# Draft organic production programme proposes unique ID for growers

**LACKING TEETH.** Huge increase in penalties mooted but experts say it lacks provisions to deter offences

Subramani Ra Mancombu  
Chennai

A draft National Programme for Organic Production (NPOP), 2024, proposes a unique identification (ID) for farmers interested in organic farming. It also proposes to increase penalties by accredited certifying bodies for offences and non-compliance of the norms. However, experts lament the lack of provisions to deter offences and non-compliance saying that the penalties "are nothing compared to the money they make through such certifications".

Issuing the draft NPOP, the Agricultural and Processed Food Products Export Development Authority (Apeda) said the policy has been revised in harmony with international standards. Stakeholders and interested persons had time till June 30 to provide their inputs.

The draft said farmers will have to register with the Ministry of Agriculture and



**TOUGHER NORMS.** For failing to comply with NPOP norms, the fine has been raised to ₹50 lakh from nil now

Farmers Welfare, following which they will be given a unique ID. The growers can then give the ID to the Internal Control System of a grower group for registration under NPOP.

#### OTP PROVISIONS

On successful verification and transfer of farmer information to the NPOP database, the subsequent process for registration of the grower group shall be

carried out, it said. An international trade analyst, who did not wish to be identified, said farmers should have the facility to receive an OTP on their mobile to ensure that they are registered and also prevent any fake enrolment of others.

Growers under the new NPOP will have the freedom to shift to another farmer group if they don't want to continue with the group they are enrolled in or if any

problem crops up with the group.

#### PECUNIARY PENALTIES

On penalties, the draft said the fine for providing false information would be ₹10 lakh, up from ₹5 lakh earlier, besides termination of accreditation. For failing to comply with NPOP norms, the fine has been raised to ₹50 lakh from nil now and for failing to update and verify the data entered on Tracenet-Organic, it is ₹25 lakh, up from ₹3 lakh.

The pecuniary penalty for a subsequent offence — the same or different one — is ₹50 lakh, besides a bar on re-applying for accreditation for three years.

For refusing to disclose information, the penalty is ₹5 lakh, while for non-conformities established for the presence of residues in prohibited substances in a certified organic product, the fine is ₹25 lakh. For a repeat offence, the fine is ₹50 lakh, besides a ban of up to five years. The trade analyst said the draft NPOP did not have

anything on organic textile standard. "Considering the fact that the National Accreditation Body, which functions under Apeda, is one with comprehensive mandate, the draft NPOP should include organic textile standard," he said.

The expert also said the presence of Apeda Chairman in NAB is a "conflict of interest". "The most important missing aspect in the draft is the lack of proposal to imprison the defaulters as in countries like the US," the expert said. The US Department of Agriculture (USDA), through its Strengthening of Organic Enforcement, has provisions to imprison those violating organic products norms and levy fines running into millions of dollars.

"Any fraud in organic food can affect human health. The NPOP should take cognisance of this. It should bring in traceability from farm to fork and have imprisonment clauses, besides levying heavy fines rather than levy pecuniary ones," the expert said.

# IFFCO launches nano fertilizer promotion campaign

PNS ■ VIJAYAWADA

IFFCO has launched the Nano Fertilizer Usage Promotion Mahaabhiyan to promote the use of nano fertilizers among farmers. As part of this campaign, IFFCO has selected 200 model nano village clusters, encompassing 800 villages, to receive a 25% subsidy on Nano Urea Plus, Nano DAP, and Sagarika fertilizers. This subsidy aims to encourage farmers to use more nano fertilizers in their fields.

Additionally, IFFCO will provide a grant of Rs 100 per

acre to drone entrepreneurs to offer affordable spraying services to farmers. The campaign also focuses on educating farmers about the benefits of nano fertilizers, including improved crop quality and production.

In support of this initiative, the Prime Minister has launched a 100-day action plan to increase nano fertilizer use in agriculture. This plan includes 1,270 demonstrations of Nano DAP (liquid) in 413 districts and 200 trials of Nano Urea Plus (liquid) in 100 districts. These trials will be con-

ducted with the assistance of Krishi Vigyan Kendras, State Agricultural Universities, and other research institutions, with oversight from the Government of India.

IFFCO will make nano fertilizers available at cooperative societies and other sales outlets. The organization is also providing 2,500 agricultural drones for spraying nano fertilizers. To support this, 300 Nano Drone Didis and drone entrepreneurs have been trained. Other types of sprayers are also available to help farmers apply nano fertilizers efficiently.



# Tea exports rise after government clamps down on pesticide use

**Mithun Dasgupta**  
Kolkata

The Centre's drive to check pesticides in tea to improve its quality is helping exporters seeing higher demand for the brew in the overseas markets, especially Iran and Iraq.

"Export is good so far. There is good demand from Iran and Iraq," Indian Tea Exporters Association (ITEA) chairman Anshuman Kanoria told *businessline*.

According to the latest Tea Board data, India's tea exports in the first three months of calendar 2024 saw a 33.29 per cent year-on-year increase in volume at 64.63 million kg. North and South India exported 37.79 million kg and 26.84 million kg, which were 19.59 per cent and 58.91 per cent higher compared with the same period last year, respectively.



India's tea exports in the first three months of 2024 saw a 33.29% y-o-y increase in volume at 64.63 million kg

"This year the demand is much better compared to last year because Iran is fully active and Iraq is at par. It looks promising," Kanoria said. Iran is a vital market for Indian exporters, especially for Assam orthodox tea.

## W. EUROPE DRAGS

The ITEA chairman, however, said the export scenario is not so good in west-

ern Europe. He said the Centre's efforts to check pesticides in teas has helped exports.

The Food Safety and Standards Authority of India (FSSAI) in November last year issued a notification directing all notified laboratories to test banned pesticides in tea. According to the recommendations of FSSAI, the Tea Board announced a ban on the use of 20 types of pesticides in plantations across the country.

The FSSAI has also operationalised the maximum residue limit (MRL) for five pesticides used in tea. It has recommended MRLs in teas to streamline food safety and regulations.

Notably, the country's tea exports fell to 227.91 million kg in calendar 2023 from 231.08 million kg the previous year, mainly due to a significant decline in export to Iran.

## Let's get our free trade deal done: UK foreign secy

"My message to (Finance) Minister (Nirmala) Sitharaman and (Trade) Minister (Piyush) Goyal is that Labour is ready to go. Let's finally get our free trade deal done and move on," he said.

Last week, Commerce and Industry Minister Piyush Goyal had said India hoped to make progress with respect to the FTA with the UK.

"With the UK, irrespective of the election result, we hope to make progress after the new government comes in... We already had discussions with the shadow trade and foreign minister of the Labour Party a few months ago when they

visited Delhi. They have committed to us that they are equally interested in pursuing the FTA expeditiously," Goyal had said. Experts anticipate continuity in Britain's foreign policy.

Biswajit Dhar, distinguished professor at the Council for Social Development, expects the Keir Starmer-led government to foster a stable relationship between India and the UK in the coming years.

"Britain needs to engage with India even more now since it has political stability. Britain is really going to push for its economic revival. When a country is so dependent on

the global economy, it actually needs large markets like India to facilitate its recovery process," Dhar said.

According to Dhar, FTA talks will be expedited and the deal will be done this time, despite a few pending issues. "There are issues like immigration, where the Labour Party has a tough stance. At the end of the day, there will be a certain amount of give and take because India is also in a difficult space as far as environmental issues are concerned, and the UK's position is in sync with the EU and it is hawkish about emission cuts," Delhi-based think tank

Global Trade Research Initiative (GTRI) said the Labour Party might give its approval to the India-UK FTA with minor adjustments and the deal could be signed as early as October.

"The Labour Party in the UK is expected to recognise the substantial benefits of the FTA, as it opens access to a large and growing Indian market, bypassing high tariff barriers," the GTRI said in a report on Friday. "The FTA is nearly finalised, and with a few minor adjustments like curtailing the number of visas for Indian professionals, the Labour Party may likely give

its approval," the report said.

While both sides have made substantial progress under Sunak, issues like a bilateral investment treaty, a bilateral social security agreement, and India's demand for a resolution on the carbon border tax by the UK are yet to be fully resolved.

FTA deliberations on the outstanding issues were held in May in virtual mode. During the same month, the UK Trade Commissioner for South Asia also met the chief negotiator of the India-UK FTA to discuss trade relations, including FTA negotiations, in New Delhi.



## 'Permaculture' a way to sustainable farming



### PERMACULTURE FACTS

- Permaculture is a philosophy of working with, rather than against nature.
- The three ethics of permaculture are Earth care, people care & fair shares.
- Permaculture was conceived & developed in the 1970s by Bill Mollison & David Holmgren in Australia.
- As a bio-diversity hot spot, North-East region is the perfect place for permaculture farms.

MOON MOON SARMAH

**S**ustainable has become a buzzword in today's society. Sustainability is a social goal for people to coexist on earth for a long time. Farming culture on the other hand encompasses a wide range of activities on earth from planting and harvesting crops to managing livestock and maintaining agricultural infrastructure.

In today's technologically advanced society, people have been experiencing a palpable shift in its climate patterns, temperatures have been climbing steadily while rainfall has been a noticeable decline. Environmental degradation has a stark impact on local biodiversity. The agriculture sector has to face some new challenges, burgeoning population pressure

on land and water, low productivity, etc. Chemical-driven farming is giving quick short-term gains but the increasing cost of farming, loss of fertility and loss of taste in food are realised by farmers, but they seem helpless.

In these days of increased concern over food security, resource scarcity and deteriorating ecosystems, the design known as permaculture is an important part of sustainable solutions.

Every product in permaculture benefits people and the ecosystem with zero waste. The word permaculture is a portmanteau of permanent and agriculture. It was coined by Australian environmentalists Bill Mollison and David Holmgren in 1978.

Permaculture emphasises harmonious coexistence with nature. It is a model of agri-

culture that leverages complementary qualities of land, plants, trees and animals that are self-sustaining, which enables people to get food, build healthier homes and create a productive ecosystem.

Additionally, nitrogen-fixing plants may be integrated into the scheme to maintain soil fertility. The scope of work extends to create habitats for wildlife as well.

Permaculture is built on the principle of reducing waste by reusing and thus a lower risk for soil pollution. It combats air pollution because of fewer uses of agricultural machines and aerosol sprays. Less use of harmful chemicals helps to reduce ground-water pollution.

The methods applied in permaculture allow the use of small spaces for the production of sustainable food

in urban areas. Permaculture extends beyond food cultivation, encompassing a set of three social principles - earth care, people care and fair share.

Permaculture is fast gaining ground among the nature-lovers in India. Permaculture design principles are universal and can be applied to any place anywhere. As a bio-diversity hot spot, North-East region is the perfect place for permaculture farms. With local tribal communities still involved in traditional cultivation practices, this region could be the next frontier in India's permaculture wave. Hilly states in the North East region are losing forest cover at an alarming rate per year due to the practice of shifting cultivation, which can be arrested through permaculture.

## After AP, Telangana, Godrej Agroviet eyes TN to expand oil palm area

**Vishwanath Kulkarni**

Bengaluru

Godrej Agroviet Ltd (GAVL) is looking to attract farmers back to oil palm cultivation in Tamil Nadu, where acreages were lost to competing crops like sugarcane and also destroyed by cyclones over the past decade.

The oil palm plantation business of GAVL inaugurated its first Samadhan Centre in Thanjavur on Monday to help provide farmers with package of practices, inputs including the planting materials, tools and services to enable them enhance yields and productivity. "After Andhra Pradesh and Telangana, we are focussing on Tamil Nadu in the South, where we see a potential to expand the oil palm area," Sougata Niyogi, CEO, Oil Palm Business, GAVL, told *businessline*.

The company is looking to

**Oil palm cultivation in Tamil Nadu has been reduced to 5,000 hectares from 12,000 ha about a decade ago**

bring more area under oil palm in districts such as Vilupuram, Cuddalore, Thanjavur and Thiruvallur, Niyogi said adding that five more Samadhan Centres will be set up in Tamil Nadu over the next few years to support the area expansion.

Oil palm cultivation in Tamil Nadu has been reduced to around 5,000 hectares from over 12,000 hectares about a decade ago as farmers shifted to other competing crops like sugarcane. Also, due to the impact of cyclone in 2019, oil palm

plantations in about 1,500 hectares were destroyed, he said. GAVL, which operates a processing unit at Ariyalur, has currently has some 2,000 hectares under oil palm.

### MEASURES

"We are looking to triple the area in Tamil Nadu to around 6,000 hectares in three years," Niyogi said adding that to overcome the cyclone-related challenges in the coastal areas, the company is looking to introduce the dwarf varieties of oil palm and move the cultivation to about 60-70 km in the interiors. Also GAVL is planning to bring the entire area under oil palm cultivation under drip irrigation, he added.

GAVL currently has some 70,000 hectares under oil palm cultivation across the country, which it plans to increase to around one lakh hectares by 2026-27, Niyogi said.



INDIA-RUSSIA SUMMIT ON JULY 8-9

# Modi, Putin may Focus on Payment System for Trade

India could announce fresh investments to step up presence in Russia's far east

**Dipanjan Roy Chaudhury**  
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**New Delhi:** A key focus of the India-Russia annual summit in Moscow on Tuesday between Prime Minister Narendra Modi and President Vladimir Putin will be on devising mechanisms for the easy and quick transfer of money between the two countries. This has gained significance in the backdrop of the ban on the use of SWIFT by Russia and the unprecedented surge in bilateral trade since the Ukraine war.

The two leaders are also expected to initiate a process to allow the use of national currencies by tourists and students, ET has learnt. This will include the use of RuPay cards in Russia and MiR cards in India, according to persons familiar with the matter.

While 60% of India-Russia trade is currently in national currencies, the need for real-time and faster payment in the absence of SWIFT has been felt. It is in this context that Modi and Putin are expected to focus on creating a special mechanism, said the people cited above.

SWIFT (Society for Worldwide Financial Telecommunications) is the channel through which cross-border bank transactions typically take place.

Trade between India and Russia stood at \$65.7 billion in the financial year ended March, up 33% from the previous year. The two



## On Agenda

**Real-time & faster payment mechanism in SWIFT's absence**

**Plan to allow use of national currencies by students and tourists**

**Increasing exports to Russia in sectors such as agri, mfg, pharma and services**

### ITINERARY

**JULY 8 PM** Modi's private dinner with President Putin

**JULY 9** Restricted & delegation level talks with joint defence production in focus



**JULY 9** Visit to Russia exhibition

**These will include use of RuPay and MiR cards in Russia and India, respectively**



sides are seeking to make progress on a bilateral investment treaty as well as signing a free trade agreement with the Moscow-led Eurasian Economic Union.

Plans are in the pipeline to increase exports from India to Russia across sectors such as agriculture, manufacturing, pharmaceuticals and services.

**Restricted Format Meeting >>> 7**

## Is AI a major drain on the world's energy supply?



AI GENERATED

When Google announced this week that its climate emissions had risen by 48 per cent since 2019, it pointed the finger at artificial intelligence.

US tech firms are building vast networks of data centres and say AI is fuelling the growth, throwing the spotlight on the amount of energy the technology is sucking up and its impact on the environment.

Every time a user punches a request into a chatbot or generative AI tool, the request is fired off to a data centre.

The International Energy Agency (IEA) said in a recent report that data centres used roughly 40 per cent of electricity on computing and 40 per cent on cooling.

Various studies have shown that each request made to ChatGPT uses roughly 10 times the power of a single Google search.

The IEA report said data centres, cryptocurrencies and AI combined used 460 TWh of electricity worldwide in 2022, almost two per cent of total global electricity demand.

The IEA estimated that the figure could double by 2026 — the equivalent of Japan's usage figures.



# ICAR to detect pink bollworm using AI-based traps on Punjab cotton farms

**Our Bureau**  
New Delhi

Punjab farmers, who faced three consecutive years of damage to cotton crop from the pink bollworm (PBW) pest, are looking for the government's help to prevent such an attack for the fourth consecutive year. On the other hand, the Indian Council of Agricultural Research (ICAR) has geared up to take the challenge; it has deployed artificial intelligence (AI) to track the pest at the first instance.

"There is an urgent need to financially help farmers who already lost their crop

due to PBW. The government has to guide us how to prevent the pest attack," said Swatanter Singh, a farmer from Bhatinda. He said because of PBW and lower realisation last year, the cotton area may be lower this year.

The area under the fibre crop in Punjab was estimated at 2.14 lakh hectares (lh) in 2023, down from 2.49 lh in 2022. In Rajasthan, cotton was planted on 10.04 lh last year, up from 8.15 lh in 2022.

## SHIFTING TO BASMATI

Another farmer, Baldev Singh, also of Bhatinda district, has decided to shift to Basmati this year from the



10 acres where he had grown cotton last year.

"I was very careful about the pest, and my field never had PBW. But the expenditure was high and I did not get good returns as cotton prices were lower last year," he said.

However, YG Prasad, director of the Nagpur-based

Central Institute for Cotton Research (CICR) under ICAR, said, "This time we are implementing AI-based pheromone traps if the PBW emerges this season. Using artificial intelligence, they will be trapping the insects which are emerging from crop residue."

He said CICR has installed AI smart traps in 18 locations such as Mansa, Muktsar and Bathinda, by which farmers can get information on their mobile.

## 1ST SOURCE OF INFESTATION

The AI-based pheromone trap in the major cotton-growing districts of Punjab will help monitor the PBW

in real time, an Agriculture Ministry official said. "This system helps provide timely pest alerts and pest management advice to cotton growers," he added.

Prasad said since farmers stock a lot of crop residue and leftover bowls, they become the first source of infestation in Punjab and Rajasthan.

But what is the solution? Prasad said timely alert is key as molecules are there to tackle the pest and suggested that farmers monitor the pest as it is manageable.

The CICR has conducted several awareness campaigns in Punjab and Haryana in the last few months.

# Chhattisgarh CM cracks down on substandard seeds and fertilisers, enforces immediate ban

**STATESMAN NEWS SERVICE**  
RAIPUR, 9 JULY

Chhattisgarh Chief Minister Vishnu Deo Sai has enforced an immediate ban on the sale of substandard seeds and fertilisers. This stringent measure follows intensified scrutiny by the Agriculture Department to ensure the quality of agricultural inputs across the state, aiming to protect farmers and boost productivity. In line with the Chief Minister's directives, district-level officials from the Agriculture Department have been conducting regular inspections and collecting samples of seeds, fertilisers, and plant protection chemicals. These samples are then tested in quality control laboratories.

During the inspection, 71 seed samples, 18 chemical fertilizer samples, and 19 plant protection chemical samples were found substandard. The sale of these batches has been immediately banned, and notices have been issued to the firms concerned by the Agriculture Department. According to the Additional Director of

Agriculture, the department aims to collect 5,000 seed samples, 3,700 fertilizer samples, and 777 plant protection chemical samples for the 2024 Kharif season. So far, 4,631 seed samples have been collected and tested, with 4,119 meeting the standards and 71 failing to do so. The testing process for 441 samples is ongoing.

Similarly, to check the quality of chemical fertilizers, the department's inspectors have collected 2,638 samples from various institutions and sent them to laboratories. Of the samples tested, 896 met the required standards, while 18 did not. The testing process for 1,664 samples is ongoing, and 60 samples have been discarded for various reasons. The sale of non-standard seeds and fertilizers has been banned, and show-cause notices have been issued to the firms concerned.

The quality of pesticides is also being continuously monitored. The inspection team has collected 286 samples from different firms, of which 167 met the standards and 3 did not. The testing process for 86 samples is ongoing, while 14 samples have been discarded.



# AP's natural farming method wins global acclaim

Gulbenkian Prize for Humanity awarded for sustainable, innovative practices

**KV Kurmanath**  
Hyderabad

A unique natural farming method being practiced in Andhra Pradesh for over eight years has won global recognition. Nagendramma Nettem, a farmer from the drought-prone Anantapur district of Andhra Pradesh, and Vijay Kumar, Executive Vice-Chairman of Rythu Sadhikara Samstha, a State-government agency, received the prestigious Gulbenkian Prize for Humanity in Lisbon, Portugal, on Thursday.

The award recognises outstanding contributions to climate action and solutions that inspire hope and possibility.

For Nagendramma, a small farmer from Ghantapuram village, it was not a fancy idea to make a switch to natural farming. With a daughter suffering from vis-



**CULTIVATING CHANGE.** Nagendramma Nettem, a farmer from Ghantapuram and Vijay Kumar, Executive VC of Rythu Sadhikara Samstha SPECIAL ARRANGEMENT

ion deficiencies, she realised the importance of going natural, shunning chemical-based agriculture.

## VOCAL ADVOCATE

Once she saw the benefit, she never looked back. She even became an advocate for natural farming methods promoted by the state government. She became a Champion Farmer Coach of the Andhra Pradesh Community Managed Natural

Farming (APCNF) in 2019, with a mandate to win over more farmers. In 2023, she became a Model Master Trainer, mentoring other trainers across the district.

Vijay Kumar, a former bureaucrat who is leading natural farming initiatives in the state, travelled to Lisbon to receive the award with Nagendramma. "The APCNF supports small farmers to switch from chemically intensive agriculture to natural

farming. It involves practices such as using organic residues and minimising tillage to improve soil health and reintroducing indigenous seeds," he said.

Run by RySS, APCNF covers over 10 lakh small farmers with an aggregate land of 5 lakh hectares in the State.

The APCNF shares a cash prize of ₹1 million with eminent soil scientist Rattan Lal (US/India) and SEKEM (Egypt). The cash prize will help them continue and scale up their work for more secure and sustainable food systems. The three were selected from 181 nominations with nominees from 117 nationalities vying for the award. The award was instituted by the Calouste Gulbenkian Foundation, a philanthropic institution that promotes quality of life for everyone through art, charity, science and education.

# Note to Krishi Bhawan

Design of new agri policy must sidestep past errors, be mindful of challenge of change

this is attributed to the diverse agro-climatic regions in the country and the federal structure under which policy works.

The Union Minister will soon realise that central government policy is restricted by the fact that agriculture and land are in the domain of the states; animal husbandry and fisheries where real growth is visible are separate ministries; the budgetary allocations are controlled by the Ministry of Finance; and an outdated inflation policy is dictated by the RBI. The gods have been kind to the Narendra Modi government as India has not faced a major drought in the last 10 years, but the odds of one in the next five years cannot be ruled out. Chouhan's task might not be easy.

The other big challenge for the minister is to convince the government and the RBI to change their methodology of targeting inflation. In developed countries, where central banks use the consumer price index to measure and control inflation, food constitutes a small portion of the expenditure basket, while wages impact it far more. But, in developing nations like India, food constitutes about 40 per cent of the basket.

In trying to protect the consumer, RBI's actions are constantly putting explicit and implicit pressure on the government to act on food prices, which leads to a spiral of lower farmgate prices.

How does this impact 42 per cent of India's population, dependent on agriculture for its livelihoods? Consider government actions around non-essential commodities like onion, which expose its convoluted policies and why the idea of improving farmer livelihoods by doubling their incomes is difficult. A family of four consumes about 15 kg of onion a month. If the price spikes by Rs 20 per kg, the monthly budget of the family rises by only Rs 300 per month. While artificially subduing (through stock-holding limit, export restrictions etc.) farmgate prices by Rs 20 per kg leads to a loss of Rs 2,00,000 per acre for every farmer growing onions (assuming the yield to be 100 quintals/acre). Considering on an average an onion farmer cultivates about two acres of land, the order of magnitude is astounding.

It is neither the responsibility of the farmer to provide cheap food nor is it justified for the RBI to sacrifice farmers at the altar of

inflation targeting. The government should roll out a mechanism to compensate farmers when its policies depress farmgate prices. Additionally, with the RBI, it can devise methods of softening the impact of rise in the price of food by direct benefit transfers (DBT) or coupons and other such for consumers. DBT has its share of issues, but is not uncommon.

The history of the ministries that impact farmer livelihoods is replete with a spate of unforced policy errors and missed opportunities. Policymakers baulk at documenting policy failures and fight back against changes that seek to improve regulation, enforcement, governance, transparency and accountability. Refusal to document failures means sowing the seeds of yet other policy missteps.

Policy makers should pay heed to the lessons learnt from the farm: There are no perfect solutions, there never were any. For the ministry, the big question is: What is the level of imperfection the Union Minister is willing to settle for?

*The writer is chairman, Bharat Krishak Samaj*



# Economists Seek Lower Import Tariffs at Meeting with PM Modi

Urge Centre to sign more free trade deals, reduce logistics costs to lift exports

**Yogima Seth &  
Deepshikha Sikarwar**

**New Delhi:** Leading economists made a case for reducing import tariffs on intermediate goods and bringing down high interest rates to support local manufacturing at a pre-budget meeting with Prime Minister Narendra Modi on Thursday.

They called on the government to sign more free trade deals and reduce logistics costs to lift the export sector. They also urged interventions in the agricultural sector, including support measures for farmer producer organisations (FPOs), people familiar with the deliberations told ET. "Earlier today, interacted with eminent economists and heard their insightful views on issues pertaining to furthering growth," the PM posted on X.

One of the persons who attended said, "Prime Minister heard all the suggestions."

Economists pitched for a continued capital expenditure



ANI

push to support growth and fiscal consolidation. They cautioned the government to watch out for inflation, which could dampen rural sentiment.

The government has raised capex since the pandemic to offset slack private investment. It raised the capex outlay by 17% to ₹11.1 lakh crore in the interim budget in February.

The government had pegged the fiscal deficit at 5.1% of GDP

for FY25 in the interim budget.

Finance minister Nirmala Sitharaman will present the first budget of the new NDA government on July 23. The budget is expected to

lay out a road map for making India a developed nation by 2047. "The meeting focused on the growth agenda for Viksit Bharat and a lot of suggestions came in for boosting the farm economy, exports and domestic manufacturing as well as

job creation," said one of the persons.

The economists were divided on the rupee with some favouring a stronger currency and others not so keen, said another person who was present at the meeting. Suggestions were also made on improving the quality of education and skilling to improve employability, one of the persons said. Focussed interventions in the rural sector were also suggested. The meeting was also attended by finance minister Sitharaman, 17 independent economists and experts, planning minister Rao Inderjit Singh and members of the NITI Aayog, including its vice chairman Suman Bery and its CEO BVR Subrahmanyam.

Some of the experts and economists present at the meeting held at the NITI Aayog included KV Kamath, Ashok Gulati, Surjit Bhalla and Karthik Muralidharan. Sitharaman has already concluded her pre-budget consultations with stakeholders, including economists, industry and trade unions.



## Whitefly attack not widespread but be vigilant: Experts

**Vishal Joshi**

vishal.joshi@htlive.com

**BATHINDA:** The experts have attributed the whitefly infestation starting to surface in several areas of the cotton-growing districts to disadvantaged farm practices and ongoing humid climatic conditions. This year cotton has been sown in around 96,000 hectares, the lowest ever under this cash crop in the semi-arid south Malwa.

Besides the state agriculture officials, teams of entomologists from the Ludhiana-based Punjab Agricultural University (PAU) and its network of experts at Krishi Vigyan Kendra (KVKs) are holding field inspections in the southwest Punjab region to assess the situation.

They said field inputs suggest that whitefly's impact on the cotton plant's health is not visible at the moment but farmers have to remain vigilant for possible threat of the pest and pink boll-

worm attack in the next 15-20 days. Information gathered from multiple sources on Tuesday confirmed that contrary to the advisory of the state government, this year farmers cultivated summer moong (green gram) on about 70,000 acres in the key cotton-growing districts of Fazilka, Bathinda, Mansa and Muktsar.

In 2023, the Punjab government restricted legume cultivation in all eight cotton-growing districts due to the established threat of the whitefly attack on the cotton crop referred to as white gold.

Officials familiar with the development said after the worst whitefly attack in 2015, an expert committee of PAU in 2016 had recommended against moong cultivation in south Malwa.

It was followed until the 2022-23 kharif period the state government announced the assured purchase of the summer moong on the minimum support



A PAU team, led by principal entomologist Vijay Kumar, inspecting a cotton field in Mansa on Tuesday.

HT

price (MSP) as a part of the crop diversification plan. Attracted by the lucrative promise, moong cultivation was adopted in a big way by the farmers.

A farmer said that given the

high land contract rates, they have to adopt three crop patterns against the advisory.

"In several districts, farmers have started sowing summer maize while others are opting to

sow zaid (third crop sown between rabi and kharif) moong to earn extra money. This makes the cotton crop vulnerable to pest attacks," said the farmer.

PAU principal entomologist Vijay Kumar, who visited several fields in Mansa and Abohar on Tuesday, said cultivation of moong in the semi-arid districts of Punjab is a worrying trend.

"Moong plants are a natural host of the whitefly. After legume is harvested, pests shift to cotton fields. Whitefly infestation could certainly have been scaled down significantly if farmers in the cotton belt, avoid cultivating moong," Kumar added.

Kumar said farmers should follow the experts' advisories.

"This time, PAU has advised to use insecticide 'clasto' with a dose of 200 grams per acre. The farm chemical has been tested at an infested field in Mansa, and it gave satisfactory results," the expert added.



# Govt may amend Legal Metrology Rules for packaged commodities

**Meenakshi Verma Ambwani**

New Delhi

The Department of Consumer Affairs (DoCA) has proposed an amendment in the Legal Metrology Rules, which will make display of information, including name, country of origin, and best before date, among others, mandatory on all packaged commodities sold to retail users, irrespective of the quantity. Currently the Legal Metrology (Packaged Commodities) Rules, 2011, are not applicable on packaged commodities containing quantity of more than 25 kg or 25 litres, barring some exceptions. Now, DoCA is proposing to make the rules mandatory for all pre-packaged commodities meant for retail sale even if the quantity is more than 25 kg or 25 litres.

The Legal Metrology (Packaged Commodities) Rules, 2011 makes it mandatory for declaration of certain information on pre-packaged commodities packed for retail sale in the interest of consumers. This includes name and address of the manufacturer, packer or importer, country of origin, common or generic name of the commod-

**DoCA is proposing to make the rules mandatory for all pre-packaged commodities meant for retail sale even if the quantity is more than 25 kg or 25 litres**

ity, net quantity, month and year of manufacture, MRP, Unit Sale Price, best before or use by date and consumer care details among others.

## REVISED PROVISION

These rules are currently not applicable on packages of commodities containing quantity of more than 25 kg or 25 litre except in the case of cement, fertiliser and agricultural farm produce, which are sold in bags of up to 50 kgs to retail channel. These rules are also not applicable on products packed for industrial and institutional consumers and on cement, fertiliser and agricultural farm produce sold in bags above 50 kg.

“The revised provision will provide that these rules shall apply to all packaged commodities sold in bags in retail,

except to the packaged commodities meant for the industrial consumers,” it said in a statement.

## EVOLVING MARKET

The Ministry said that so far, the rules were not applicable on larger packs with quantities above 25 kgs or litres because it was assumed that such packs are not meant for retail sale. “However, it is observed that the packaged commodities above 25 kg are also available in the market for retail sale, which is not as per the intention to make all declarations on pre-packaged commodities meant for retail sale,” it further noted.

DoCA said this amendment is being proposed in the wake of the evolving market across both offline and online channels.

“This revised provision will help in establishing uniform standards and requirements for packaged commodities, promoting consistency and fairness across different brands and products and will help consumers in making informed choices based on complete information,” it added. DoCA has invited comments from stakeholders within the next 15 days till July 29.



# Cotton under pink bollworm attack in Mansa, Fazilka, Abohar; farmers worried

RUCHIKA M KHANNA  
TRIBUNE NEWS SERVICE

CHANDIGARH, JULY 14

The dreaded pink bollworm has hit the cotton crop in Mansa, Fazilka and Abohar areas, raising the hackles of the state Agriculture Department.

Though the pest attack is said to be below the economic threshold level (ETL), cotton growers, on the recommendation of Agriculture Department officials, have started extensive spraying of pesticides to deal with the situation. Department officials told *The Tribune* that the insect had been spotted on plants being cultivated in villages bordering Rajasthan and Haryana.

At present, cotton crop in Sriganganagar, Anupgarh and Hanumangarh districts of Rajasthan is stated to be under pink bollworm attack. In some of the areas, farmers have reportedly started ploughing back cotton plants into the fields.

Talking to *The Tribune*, Balkar Singh, a cotton cultivator from Khiali Chahian-wali village in Mansa, said pink bollworm was spotted in some fields in his village. "Flowering is yet to begin, but the pest attack has already set in. We have already done two rounds of insecticide spraying, which has increased our input cost by Rs 2,000 per acre for each spray. I have already incurred an additional expenditure of Rs 18,000 on insecticide sprays on nine acres," he said. They were also grappling with whitefly

## EXTENSIVE SPRAYING OF PESTICIDES ON

- The insect has been spotted on plants being cultivated in Punjab villages bordering Rajasthan and Haryana
- The pest attack is said to be below the economic threshold level (ETL), but farmers have started extensive spraying of pesticides
- Experts believe that the solution to the frequent pest attacks is to give fresh seeds to farmers, and not allow them to use old ones

## GEARED UP TO DEAL WITH SITUATION

“The cotton growing villages bordering Rajasthan and Haryana are affected. At many places, we have already asked cultivators to plough back the plants three feet under the soil. Our teams are helping the farmers. Two separate teams, both headed by a Joint Director each, will start visiting affected villages from Monday and the situation will be brought under control. Jaswant Singh, DIRECTOR (AGRICULTURE)



attack, he added. Last year also, a large number of cotton growers in the Malwa region had suffered losses because of the pink boll-

worm attack. They had cultivated cotton immediately after harvesting moong. Moong being a natural habitat for pink bollworm,

## PESTS THAT ATTACK COTTON



A farmer shows pink bollworm-infested cotton crop at Patti Sadiq village in Abohar. TRIBUNE PHOTO

**PINK BOLLWORM**, also called *gulabi sundi* in local parlance, has been wreaking havoc in cotton fields in Punjab, Haryana and Rajasthan. It is believed to be resistant to first-generation transgenic Bt cotton

**WHITEFLY**, also called *chitti makhi*, thrives in warm and tropical climate; it is found on the leaves of cotton plants; honeydew secreted by it gets deposited on cotton fibre, thus affecting the cotton quality

the insect remained in the soil after the legume was harvested and later attacked the cotton crop sown in those fields. Subse-

quent heavy rainfall aggravated the pest attack further. According to reports, nearly 60 per cent of the cotton crop in the state was damaged last year. Pink bollworm had played havoc with the cotton crop in 2021 also. Many experts believe that the solution to the frequent pest attacks was to give fresh seeds to farmers, and not allow them to use old seeds.

Gurpreet Singh Sandhu, who is cultivating cotton in Patti Sadiq village of Abohar, said last year, his yield of cotton fell to two quintals per acre, from a standard yield of 8-10 quintals per acre.

"This year again, the crop is under pink bollworm attack and I have started multiple insecticide sprays, as recommended by the scientists of Punjab Agricultural University. But the prospects do not seem bright this year as well. Thank God, I had reduced the area under cotton, otherwise my losses would have been much higher," he said.

It is because of repeated cotton crop failures that farmers in Punjab have started shunning this crop. As against a target of sowing cotton on 2 lakh hectares, only 99,720 hectares is actually under cotton crop this year. Of this area, 60,000 hectares under cotton crop has been adopted by the Agriculture Department for conducting field trials and all insecticides are being provided by the department.



## ICAR chief flags 'low' budget for agri R&D in ministers' presence

**HARIKISHAN SHARMA**  
NEW DELHI, JULY 16

HIGHLIGHTING "LOW" government funding for research and development in farm sector, Department of Agricultural Research and Education (DARE) Secretary and Director General of Indian Council of Agricultural Research (ICAR) Dr Himanshu Pathak said Tuesday the annual budgetary allocation of DARE and ICAR is just 0.2% of the Union Budget, which is low as compared to developed countries.

Addressing an event to mark the ICAR's 96th Foundation Day, Pathak said: "Everything needs budget. I want to express my thanks to Government of India that our budget has been incre-

ased by 20-25% in last two years. But still, it is low... ICAR's budget is just 0.2% of the country's budget, while in the developed countries it is up to 0.7-0.8% or up to 1%."

When Pathak made these remarks, Union Ministers Shivraj Singh Chouhan (Agriculture), Rajiv Ranjan Singh (Fisheries, Animal Husbandry & Dairying), Bhagirath Choudhary and Ram Nath Thakur (both MoS, Agriculture and Farmers Welfare), George Kurian and Prof S P Singh Baghel (MoS, Fisheries, Animal Husbandry & Dairying) were present on the dais.

Chouhan said spending on research and development is one of the priorities of Modi government. He said there was a need to create model farms for small-holding farmers.

### ON SIDELINES OF G7 MEET

## Goyal Talks Trade Pacts with UK, EU

Our Bureau

**New Delhi:** Commerce and industry minister Piyush Goyal discussed India's free trade agreements (FTAs) with the EU and UK with his counterparts on the sidelines of the G7 trade ministers meeting in Italy, commerce and industry ministry said in a statement on Wednesday. He also discussed India's initiatives with strategic partners such as the US, Gulf Cooperation Council (GCC) countries and the EU, including the India-Middle East-Europe Economic Corridor (IMEC) to strengthen supply chains.

His discussions with Valdis Dombrovskis, executive vice president of the European Commission, focused on promoting India-EU trade and economic collaborations, including ongoing FTA negotiations.

"Both sides explored opportunities to strengthen cooperation in various areas of mutual interest," the ministry said. The eighth round of talks on the proposed India-EU FTA was held from June 24-28 in Brussels and discussions were held on all 21 chapters. The next round is likely to be held at September-end. With Jonathan Reynolds, UK secretary of state for business and trade, Goyal discussed deepening bilateral economic relations.

The conversation included plans to take forward the discussions on FTA between India and the UK. Before elections in the two countries, they were close to closing various pending issues under the FTA. The minister also had bilateral meetings with ministers from Italy, Germany and New Zealand. He highlighted the importance of analysing global supply chains' robustness in times of crisis, referencing the Covid-19 pandemic, Ukraine-Russia conflict and Red Sea crisis, and the need for resilient supply chains that endure beyond the current generation.

The minister proposed collaboration among trusted partners to reinforce global supply chains in critical areas such as critical minerals, semiconductors, pharmaceuticals and green energy and advocated public-private partnerships, investments in critical infrastructure, innovation and consistent regulatory frameworks across G7 countries and partner nations, according to the



## Cropin launches agri-intelligence platform Sage, powered by Google Gemini

Our Bureau  
Bengaluru

Agritech firm Cropin Technology has announced the launch of Sage, the planet's first real-time agri-intelligence solution powered by Google Gemini.

Cropin Sage converts the world's agricultural landscape into a proprietary grid-based map with options of 3x3 m, 10x10 m, or 5x5 km, delivering data and intelligence with unprecedented scale, accuracy and speed, the company said in a statement.

This enables consumer product goods (CPG) players, seed manufacturers, food processors, multilateral organisations, financial institutions and governments to make informed decisions based on historical, present, and future data on cultivation practices, crop, irrigation, climate, and soil, the company said.



## Licences of two fertiliser firms cancelled

TRIBUNE NEWS SERVICE

CHANDIGARH, JULY 13

The Punjab Agriculture and Farmers Welfare Department has cancelled the licences of two fertiliser companies for supplying substandard Diammonium Phosphate (DAP) to the cooperative societies. The firms of which licences have been cancelled are M/s Madhya Bharat Agro Products Limited and M/s Krishna Phoschem Private Limited.

### Of total 40 DAP samples collected, 24 fail quality test

Agriculture Minister Gurmeet Singh Khudian said as many as 40 samples were collected from the DAP stocks supplied to MARKFED by the companies. Of these samples, 24 were found to be of substandard quality as per Fertiliser Control Order 1985. The results of two samples are still awaited. The Ministry of Agriculture & Farmers' Welfare has also been informed about this for necessary action, he added.

Khudian said the Agriculture Department has launched a quality control drive across the state and set a target of testing 4,700 fertiliser samples during FY 2024-25.

Jaswant Singh, Director, Agriculture and Farmers Welfare, said as many as 1,004 samples of fertilisers have been collected under the quality control campaign and sent to different labs for testing so far.

The Agriculture Minister asked the Director Agriculture to review the supply of agricultural inputs to ensure the quality products to the farmers. The director said the sampling of fertilisers was being done in the districts according to their targets and arrival of DAP (18:46) and other fertilisers was being monitored.

# Non-tariff barriers: Govt readies steps to ease exporters' woes

Sets up panel, identifies challenges, to launch portal soon

SHREYA NANDI

New Delhi, 14 July

ILLUSTRATION: AJAY MOHANTY

The government is working towards a strategy to tackle non-tariff barriers faced by exporters by setting up a committee and launching a portal, a senior official said.

Typically, non-tariff barriers take several years to resolve. The development comes at a time when India is negotiating free-trade agreements (FTAs) with several developed economies, where non-tariff measures related to environment and sustainability have become a cause for concern for Indian exporters. During a recent review meeting, exporters had urged Commerce and Industry Minister Piyush Goyal to develop a strategy to tackle non-tariff barriers imposed by trade partners that hinder India's exports.

In international trade, barriers faced by exporters and importers may not be limited to the imposition of tariffs or duties. Non-tariff barriers, such as documentation procedures, certification, inspections of goods, standards, import restrictions, prohibitions, seasonal duties, tariff rate quotas, and public procurement practices, are seen discriminatory against imports.

"A committee has been set up to look at the barriers. Sometimes, resolving non-tariff barriers requires improvements or changes from our (India's) side, and at times, engagement with trade partners. The government is trying to find out the best way forward to resolve the issues," the official said.

The official said the committee would do a



## IN THE PIPELINE

► Move comes days after exporters flagged concerns with minister

► Non-tariff measures on environment and sustainability in FTA negotiations a cause for concern for exporters

► Portal will allow exporters to report barriers and identify if they are WTO-compliant

► Will help in tracking history and chronology of the barriers

detailed analysis and try to understand whether a regulation imposed by the trade partner is compliant with the rules of the World Trade Organization (WTO) or whether India has objected to it in the past. "(It will also determine) whether the matter is WTO-compliant, other countries are complying with the norms, and if we (India) can tweak our system to deal with the challenge," the official told *Business Standard*.

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## ICAR launches 'One Scientist One Product' research plan

Prabudatta Mishra  
New Delhi

The Indian Council of Agricultural Research (ICAR) has announced a target-oriented research plan "One Scientist One Product" over the next five years, which will be monitored so that maximum productivity is driven without duplicity of efforts. The research body will also soon release 100 seed varieties as part of the government's 100-day plan.

"As our Minister Shri Rajendra Singh Chouhan has requested, Prime Minister Narendra Modi may release all the 100 new varieties soon," said a top official of the Ministry of Agriculture and Farmers Welfare.

On the other hand, ICAR's Director-General Himanshu Pathak said all the 5,521 scientists of the organisation have been registered under the "One Scientist One Product" scheme.

On the other hand, ICAR's Director-General Himanshu Pathak said all the 5,521 scientists of the organisation have been registered under the "One Scientist One Product" scheme.

### ASSESSED WITH TARGET

"We have assigned every scientist with a target, that they have to come out with a product which includes seed variety, technology or some research paper or some model/concept. At the beginning of the year they have to identify and inform which product they want to bring out, not necessarily a physical product," Pathak told media in New Delhi on Monday on



Himanshu Pathak,  
Director-General, ICAR

the occasion of ICAR's two-day Foundation Day programme, scheduled to be inaugurated by Chouhan on July 16.

Mapping has been done on which scientist is going to research which product. The

target will be monitored every three months at official level and even by the researcher twice a year, Pathak said, adding it is a long-term project. He also said there will also be cases when one product will be developed by a group of scientists.

The ICAR DG also said a target has been set to raise paddy area under climate-resilient seeds to 25 per cent of the total kharif acreage from the current 15 per cent in a bid to combat growing challenges posed by climate change.

### KHARIF PADDY AREA UP

India, which is the world's second-largest rice producer after China, has curbed rice exports by banning some varieties

while slapping 20 per cent export duty on some others over nearly two years to check domestic price rise. Besides, there is also a minimum export price fixed for the aromatic Basmati rice.

The normal area under paddy in kharif is 40.16 million hectares (mh) and the acreage in current season has reached 11.56 mh as of July 12, up by 21 per cent from the year-ago period.

Pathak said, "While we have achieved 75 per cent coverage of climate-resilient seeds in wheat cultivation, the adoption in paddy is still limited, though ICAR has developed paddy varieties which are resistant to drought and lodging."



# For 4th year in a row, pest infests cotton crop in Pb

Neel.Kamal@timesofindia.com

**Bathinda:** Troubles for cotton cultivators continue to grow in Punjab. There are reports of the crop being infested with pink bollworm in fields in at least four districts of Punjab — the fourth straight year when there has been a pest infestation in the crop.

With the crop being afflicted by one pest or another every year since 2021, the cultivation of the crop has fallen below 1 lakh hectares this year — a first for Punjab.

Economic threshold level (ETL) has been found to be above the permissible limit of six adult pink bollworm pests per leaf in certain fields in Bathinda and Fazilka. In Mansa and Muktsar, infestation is still below ETL. ETL is pest density at which control measures should be applied to stop an increase in pest population from reaching the economic injury level.

The pest attack has been recorded in fields where summer moong was grown. The pest started from moong fields and attacked cotton crops nearby. Hot and humid weat-

## 1st attack in 2015

The white fly pest had first infested the cotton crop in Punjab in 2015. Till then, farmers were of the view that BT cotton is pest-resistant, but it was resistant to American bollworm. In 2019, pink bollworm also attacked the cotton crop. Since 2021, pink bollworm or white fly pests have afflicted cotton crop in Punjab every year.

her, and late sowing are presumed to be the reasons behind the increase in ETL.

State agriculture department has pressed its field staff into action, asking them to keep a vigil in fields where ETL has increased or is increasing.

In Bathinda district, pest infestation has been above ETL in certain fields in Meh-ta, Manawala, Bhagwargarh, Senewala, Dunewala, Katar Singh Wala, Kotshamir, Bhai Bakhtaur, Manakhkhana, Behman Jassa Singh, Miserkhana, Yatri, Jodhpur Pakhar, Giana, Malkana, and Phulok-

hari villages. "Farmers, who still are into cotton growing, are worried over repeated infestations. The state has witnessed at least three severe pest attacks on cotton in nine years, with smaller attacks taking place in remaining years as well. Still, successive govts have failed to fully sensitise farmers to take corrective measure on its part or take judicious measures to prevent such attacks by removing weeds and larvae near cotton fields. Every time there is pest attack, authorities land in fields and ask for more sprays," said a farmer.

Punjab agriculture department director Jaswant Singh said officials, right from joint directors to chief agriculture officers, were working to ensure there was no pest attack. "This pink bollworm attack has been spotted only in certain fields in Khuia Sarwar block of Fazilka district. At other places, it is below ETL. Our teams are on the job and sprays have been recommended to farmers. Nodal officers have been appointed to look after two villages each," he said.



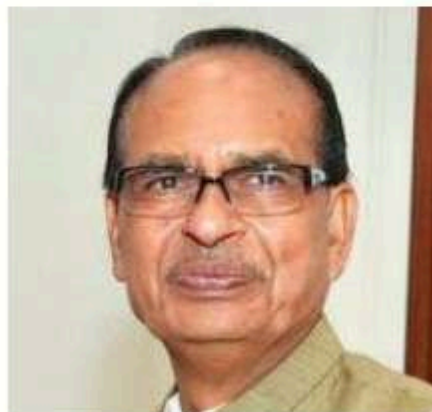
# Carry out research on natural farming without lowering output: Chouhan

**Our Bureau**

New Delhi

Agriculture Minister Shivraj Singh Chouhan on Tuesday asked Indian Council of Agricultural Research (ICAR) scientists to carry out research on natural farming keeping in mind the importance of production of crops as the country cannot afford to lower output amid increasing demand. He emphasised that soil health cannot be allowed to be damaged for the future generations.

In his address on the ICAR Foundation Day, he said it is important to increase production but also important to pay attention to what effect the damaged soil will have on the human body. Pointing to the lower productivity of soybean in India compared with other countries, he suggested scientists to develop high-



yielding varieties of pulses and oilseeds to boost domestic production and reduce import dependency. There has been a gradual decline in acreage under soyabean and sunflower, he said.

## **FARMERS RELUCTANT**

“We are growing enough rice and wheat but are importing pulses and edible oils. How do we address this issue? There is a need to develop short-duration and high-yielding varieties,” Chouhan said. He

told the gathering that farmers were reluctant to grow crops with low productivity.

There is a need to create model farms for those with small holdings. “Though such model farms exist, there is a need to popularise those for mass adoption,” he said.

The minister suggested that ICAR depute two scientists to each of the 731 Krishi Vigyan Kendras (KVKs) and ask them to spend three days to guide the staff and farmers in nearby villages.

“If agriculture is diversified, it is possible to increase the income of farmers. Today we are working with this resolution,” he said and urged ICAR to set targets for the next four years.

Work has to be done to increase production in animal husbandry, fish farming, wheat production, pulses and oilseeds, he said.



## Data protection sought for chemicals sector

(Continued from Page 1)

Dr. Agarwal highlighted that the absence of data protection provisions is prompting multinational corporations to invest in countries such as Vietnam, Thailand, Malaysia, and Indonesia instead of India. "Our sector is losing investment opportunities as a result. While the government speaks about ease of doing business, the PMB 2020 does not provide a level playing field between genuine industry players and so-called fly-by-night operators, smugglers, miscreants, and duplicators," he said.

A stringent penalty with a fine of up to Rs 50 lakh and 5 years imprisonment, without differentiating between habitual offenders and unintentional instances in the case of genuine companies, is not rational. Such provisions discourage investment by prospective national or international industries, he pointed out.

In our country, a parallel industry of spurious products has developed, as evidenced by raids on such manipulators. However, instead of taking strict actions against these culprits, FIRs are often registered under trademark and copyright acts, allowing the police to grant bail at the police station itself. This approach is inadequate. FIRs should be registered under applicable sections of the IPC, the Pollution Act, and other relevant laws. If FIRs are registered under various IPC sections, bail is not easily granted, and there is a provision for imprisonment of up to 7 years.

The representative of a key player in the agrochemical sector, a member of another national association, has sought an increase in import tariffs, which are currently around 7.5 per cent. It is argued that an increase of 5 to 7.5 per cent in tariffs would significantly level the playing field for domestic players in terms of pricing. However, this



change could negatively impact farmers, as the increase in customs duty would lead to higher prices for agrochemical products.

No new technology has been researched in India; all innovations have come from outside. It takes Rs. 2500-3000 crore to research a molecule, Rs. 30-40 crore for data generation, and Rs. 30-40 crore for commercialization. Anyone is free to generate data and get registration under Section 9(3) of Insecticides Act 1968 and Rules 1971. However, some individuals, instead of investing in data generation, seek an easy right to the investments made by MNCs or large Indian players who are spending significant amounts to bring new technology and generate data.

The Prime Minister's vision was to double farmers' income by 2022, but this goal could not be achieved due to the unavailability of new technologies and the presence of a parallel industry selling duplicate agricultural inputs, against which no effective action has been taken. Additionally, the 18 per cent GST on pesticides and new technologies like drones and other instruments is not justified. To promote this industry, GST should be set to NIL, like it is for seeds, or at the most, 5 per cent tax should be charged.

To increase farmers' yield, quality, and income, it is essential to bridge the vast income gap between rural and urban populations. Initiatives focused on agricultural advancement can play a crucial role in narrowing this disparity.

## Agri exports decline 3% on Red Sea crisis

SHREYA NANDI

New Delhi, 19 July

India's agriculture exports contracted 3 per cent to \$5.88 billion during the first quarter of the financial year due to major 'global headwinds and tight domestic supply conditions'.

Agricultural and Processed Food Products Export Development Authority (APEDA) chairman Abhishek Dev said the current challenges in the agriculture sector include the rise in shipping costs and air freight triggered by the Red Sea crisis, fall in global prices of maize, which took a toll on exports.

Rice exports have also been constrained by export controls on certain varieties of the grain including non-basmati rice imposed by India.

During the quarter ended June this year, India exported rice - basmati and non-basmati - worth \$2.8 billion, down 0.46 per cent.

The government, however, believes India will be able to catch up with last year's rice exports in the next six months.

"There have been a lot of issues in the logistics, particularly due to the Red Sea crisis, which has been persisting and there has been an increase in cost of air freight. Due to issues

between the US and China, there has been shortages in the containers also," Dev told reporters.

According to Dev, the production of maize has been good this year. However, it resulted in a decline in prices globally.

"Even though there is good production of maize in India also, our local prices are more than international prices. Due to that, exports of maize have come down this year," he said.

According to government data, exports of regulated agriculture items such as wheat, non-basmati rice, millet products, witnessed contraction during the first two months of the current financial year. On the other hand, exports of non-regulated agriculture including basmati rice, buffalo meat, fresh vegetables, fruits and juices, dairy products, saw 3 per cent growth.

APEDA has also identified '25 focus products' where exports can be further boosted. These items include onion, basmati rice, groundnuts, cashew, banana, potato, ghee, pomegranate, and pineapple.

The government is working towards launching an online platform to tackle non-trade barriers in the next two-three months.

### AGRI EXPORTS

	Q1 FY25 (\$ mn)	% chg Y-o-Y
■ Fruits and vegetables	843.82	6.47
■ Cereal preparations, processed items	763.88	12.4
■ Meat, dairy, poultry products	1,011.29	0.14
■ Rice (Basmati+non-basmati)	2,808.26	-0.46
■ Other cereals	60.24	-76.09
■ Cashew	68.63	-17.08
■ Oil meals	330.69	-25.82
<b>Total</b>	<b>5,886.81</b>	<b>-3.24</b>

Source: APEDA



# Agri unions, scientists flag ICAR MoUs with corporates

Neel.Kamal@timesofindia.com

**Bathinda:** The number of corporate MoUs (memorandums of understanding) that the Indian Council of Agricultural Research (ICAR) has signed over the past several months has alarmed scientists, farmer unions, and civil society alike because no one knows their financial and IPR (intellectual property rights) implications.

More than 450 individuals related to agriculture on Saturday wrote to the ICAR's director general that the council should stop the agreements signed with big companies such as Bayer, Syngenta, and Amazon, and consult the farmer unions about what can make the Indian agriculture viable, sustainable, and equitable. Questioning certain "unnatural" practices and technologies that these deals are reported to allow, they have accused the ICAR of letting corporate houses "green-wash" their sins.

They claim these deals to be a tacit admission of the ICAR's inability to serve the farmers and the failure of its agriculture extension departments. Alliance for Sustainable and Holistic Agriculture (Asha) co-convener Kavitha Kuruganti, whose name is on the letter, claimed that: "The scarce public information makes us doubt why the ICAR is

## WHO IS **ALARMED**

**450 individuals representing scientists, farmers unions, and civil society have written a letter of objection to the ICAR**

### OBJECTIONS OF SCIENTISTS, FARMER UNIONS

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>➤ Financial and IPR (intellectual property rights) implications of the MoUs not declared</li> <li>➤ Farmer unions not consulted, no debate conducted</li> <li>➤ Deals called tacit admission of the ICAR's inability to serve the farmers</li> <li>➤ Some of the private partners have a history of</li> </ul> | <ul style="list-style-type: none"> <li>peddling toxic products</li> <li>➤ If companies develop crop varieties, why have the NARS and ICAR?</li> <li>➤ Transfer of technology mandate of states' agri-extension depts, KVKs (Krishi Vikas Kendras), not ICAR's</li> <li>➤ Encroachment upon a state subject</li> </ul> |
|---|---|

tying up with private corporations that have a history of peddling toxic products. If they need the companies to develop crop varieties for them, why should the taxpayers fund the National Agriculture Research System (NARS) and the ICAR?"

She questioned the need for private collaborations and even the selection of partners and the IPR arrangements. She asked the council where it had conducted any public debate or put out public policy. She said the ICAR had tied up with private corporations for transfer of technology to farmers, which was the mandate of public agri-extension departments and even KVKs

(Krishi Vikas Kendras). She said: "How will the ICAR ensure that the farmers get the best advice and options if those go against the business motives of the corporations? Did it consult the extension departments of the states before signing those MoUs, because agriculture is a state subject?"

The people who wrote the letter claimed to have found no copies of the MoUs or the pilot project results. They want the ICAR to upload these to a website and mention the financial implications on the public sector. They want the MoUs to be suspended until then and sign any new ones after debate and consultation with the farmer unions.



# ICAR should strive for an ecologically sound system of managing crop pests

25 years after Bt cotton was introduced, the genetically modified technology in cotton has bitten the dust

THE inevitable has happened. The area under cotton has collapsed in north western India.

For the past few years, cotton was witnessing a subdued interest. Farmers were gradually giving up on cotton in favour of paddy and other crops, which of course was a worrying trend.

But this year, breaking all records, cotton areas in Punjab, Haryana and Rajasthan – constituting 16 per cent of the cotton area of the country – has declined by six-lakh hectares, going down from 16-lakh hectares sown last year to a low of 10.23-lakh hectares this year.

The steepest fall has been in Punjab where the area under cotton has come down to less than one-lakh hectares, 97,000 hectares to be precise. Cotton was always thought to be an alternate crop to fit in the crop diversification programme that Punjab has been contemplating to replace the water guzzling paddy.

Moreover, ever since the seeds of genetically modified Bt cotton were approved for commercial cultivation in 2002, the agribusiness industry had positioned the new technologically 'superior' seeds as a solution for ushering in prosperity among small farmers by enhancing crop productivity, reducing the use of insecticides, and in the process ensuring climate smart and environmentally sustainable cotton farming. It was in fact promoted as a technology fix to address the productivity crisis in cotton that small farmers were confronted with. It was believed that the increased production will in the process take care of ecological and socio-economic concerns.

Approximately, 25 years after Bt cotton was introduced, the genetically modified technology in cotton seems to have bitten the dust. What was once perceived as 'White Gold' has now turned grey.

Persistent attacks of pink bollworm and whitefly insect pests have made farmers give up on cotton. Even before Tahvinder Singh, a 40-year-old farmer from Punjawa village in Abohar, Punjab, could harvest cotton in five acres he had sown, the crop came under pink bollworm attack. The crop loss he has suffered in the bargain will only add to the general distress that prevails, much severe for him since he ploughed his field back.

"I have already ploughed my crop and on one acre, I am trying to cultivate PR-126 variety of paddy," he told the media that was headlined 'Area under cotton in North India drops by six lakh hectares, Punjab's dip sharpest'. The investigative news report dwells deeper into the reasons why farmers are fed up with pest attacks, and in frustration have increasingly abandoned cotton cultivation.

Interestingly, while the multinational seed giant Bayer has sought approval for the next generation of transgenic seeds – Bollgard II Roundup Ready Flex (RRF) to bring in some kind of optimism in the GM seed market, drawing from what is clearly visible as the failure of hybrid transgenic Bt cotton in India, scientists are at the same time advocating caution for Africa, which is under tremendous industry pressure to introduce the same technology.

"The lessons gained from the ongoing market failure of



Even when Punjab suffered huge losses on account of whitefly attack, I remember the bureaucracy and scientific establishments remaining conspicuously quiet on making the industry bear the crop losses. I don't think the seed industry should be allowed to go scot-free

hybrid Bt cotton in India are of utmost importance to its proposed introduction in Africa, where, similar to India, cotton is grown mainly in poor rainfed smallholder farms and hence similar private-corporate conflicts of interests will occur," says Andrew Paul Gutierrez et al in a paper published in the prestigious Environmental Sciences Europe journal (November 7, 2023).

If Africa can be cautioned, there is no reason why India itself cannot seek any lessons from the subsidence of Bt cotton seeds and take appropriate preventive measures. Pink bollworm insect pest has certainly taken a heavy toll of the cotton crop.

While Bayer had earlier claimed in an email statement to the global news agency Reuters, saying, "Our efforts are aimed at enhancing crop productivity, contributing towards doubling farmer incomes, and making Indian agriculture sustainable and globally competitive."

If despite these claims, the area under cotton has come down drastically, there must be reasons that the hyped technology hasn't been able to answer.

Why I am saying this is because the resistance against pink bollworm has certainly

reduced, and by disrupting the insect equilibrium, the GM seeds have also built secondary pests like whitefly. In 2015, whitefly attack on cotton had severely impacted the standing crop in Punjab, and resulted in suicides by a number of farmers. Protests by farmers had forced the Punjab government to provide relief to cotton workers. Subsequently, pink bollworm attack in 2020, followed by the pest damage in the past three years has made the cotton farmers move away.

I don't think bringing in the next generation of GM seeds will help nip the pest attack in the bud. In fact, at a time when the area under cotton has slumped, the seed industry needs to be held accountable. Even when Punjab suffered huge losses on account of whitefly attack, I remember the bureaucracy and scientific establishments remaining conspicuously quiet on making the industry bear the crop losses. Going by the polluter pays principle I don't think the seed industry should be allowed to go scot-free.

In an insightful scientific paper 'Long-term impact of Bt cotton in India' written by Dr K R Kranti, a former Director of the Central Institute of Cotton Research, Nagpur, and Prof

Glenn Davis Stone, formerly of the Washington University, and published in Nature (March 30, 2020), the authors had clearly warned: "Bt cotton has continued to control one major cotton pest, but with Bt resistance in another pest and surging populations of non-target pests, farmers now spend more on pesticides today than before the introduction of Bt. Indications are that the situation will continue to deteriorate."

There is enough literature available on how Bt cotton was a short-term solution, and the drop in insect resistance wouldn't last long. Even the yield increase initially was ascribed to increased fertiliser use and expansion of area under irrigation. But bureaucratic inefficiency and scientific lethargy backed by political patronage (Punjab had officially been promoting the GM seeds) had led to a cotton fiasco. While all these players (besides the seed industry) walk away without owning any responsibility, the farmers bear the brunt.

If you ask me as to what is the solution, the answer is simple.

Learn from the KeetPath-shala of Nidana in Jind district in Haryana, where farmers use beneficial insects to control the pests. I only hope the Ministry of Agriculture and Farmers Welfare does not again buckle under pressure from the seed lobby, and instead shifts efforts to non-pesticide management (and that also includes GM crop seeds) by opting for an ecologically sound way of managing crop pests.

It is doable provided the Indian Council of Agricultural Research (ICAR), the umbrella research body for agriculture, wants to do it.

(The author is a noted food policy analyst and an expert on issues related to the agriculture sector. He writes on food, agriculture and hunger)

## GROUND REALITY



Devinder Sharma

## 'Herbicide-tolerant basmati not farmer-friendly'

Neel.Kamal@timesofindia.com

**Bathinda:** More scientists and environmentalists came forward in criticising the new herbicide-tolerant (HT) variety of basmati, released for commercial cultivation by Indian Agriculture Research Institute (IARI) nearly two months ago.

IARI has claimed that the variety has not been genetically modified (GM) and is beneficial for direct-seeded

rice (DSR) technique, hence saving water. Agri scientists said the variety could also lead to a loss of genetic diversity in Indian rice and increase the use of multiple herbicides for controlling different types of weeds, hence increasing cultivation cost. This could be particularly challenging for small farmers, they say.

Virender Singh Lather, a former principal scientist from ICAR-IARI, said HT rice

variety is not farmer-friendly and is a threat to national food security. "This technology will raise cultivation costs by monopolising seed-agrochemical market. There is no need of such technology to help DSR as it can be managed using climatic factors by preponement of date of sowing between May 15 and June 10. Weed problems appear when humidity is high, which happens after June 10 as monsoon approaches," said Lather.

Environmentalist Aruna Rodrigues, who has filed a PIL for a moratorium on GE crops, on Monday wrote to ICAR joint director (extension) Rabindra Padaria. "...This step is a potential threat to India's export markets, which are based on organic standards, along with the necessary co-surety that India's foods and farms are not contaminated by herbicides, a consequence of using HT crops," wrote Rodrigues.



# Tropical Agrosystem looks for expansion

NEW DELHI

AGROCHEMICAL company Tropical Agrosystem is exploring the possibility of listing on the domestic stock market as it plans expansion and launch of new products, according to a top company official.

Tropical Agrosystem (India) founder and Chairman VK Jhaver said that bankers have approached the company, advising either a public listing or private equity investment. “Maybe in another



few months, we will take a call,” Jhaver said. “Once I give the green signal, then probably we will have to start the work.” Asked why the company had not listed earlier, Jhaver said, “That is again a mindset. We have never gone for any listing of our other group companies also.”

## Activists question ICAR's move to tie up with big corporations



# SC gives split verdict on validity of Centre's nod for GM mustard

## The Hindu Bureau

NEW DELHI

The Supreme Court on Tuesday pronounced a split verdict on the validity of the Centre's 2022 decision granting conditional approval for environmental release of genetically modified (GM) mustard crop.

The Bench of Justices B.V. Nagarathna and Sanjay Karol, however, asked the Centre to formulate a national policy with regard to GM crops for research, cultivation, trade and commerce in the country.

The case would now be referred to a three-judge Bench to be constituted by the Chief Justice of India.

On October 18, 2022, the Genetic Engineering Appraisal Committee (GEAC) – a statutory body under the Ministry of Environment, Forest and Climate Change and regulator of genetically modified or-

**The Centre has been asked to formulate a national policy with regard to GM crops for research and other purposes**

ganisms in the country – recommended the environmental release.

A subsequent decision was taken on October 25, 2022 approving the environmental release of transgenic mustard hybrid DMH-11, a variety of GM mustard.

On Tuesday, in its judgment, the court said the “national policy shall be formulated in consultation with all stakeholders, such as experts in the field of agriculture, biotechnology, State governments, representatives of farmers, etc”.

It said the government should conduct a national consultation with the aim of formulating the policy.



# Whitefly attack looms large in cotton belt



Farmers water cotton field at a village in Bathinda; and (right) a blooming cotton field. FILE

**SUKHMEET BHASIN**

TRIBUNE NEWS SERVICE

**BATHINDA, JULY 23**

After nine years, the fear of whitefly attacks on cotton crops is back to haunt farmers of the cotton belt in the Malwa area, as the presence of sulking pests has been reported in some parts of Mansa, Bathinda, and Fazilka districts.

State Agriculture Department teams have visited various villages and held meetings with officials, asking the field officers to be vigilant. The teams have been directed to visit farmers in the fields to check the crop and recommend spray

as per the situation.

The department has also been making announcements in villages through gurdwara loudspeakers, urging farmers to spray their crops as recommended by experts as whitefly attacks were on the rise.

Experts claimed hot and humid weather conditions were leading to pest infestations. They said against the state's recommendations a large number of farmers grew moong crops during summer. They said it was another reason behind the pest infestation in the region.

Experts said the whitefly

grew fast and remained under the leaf. They said it did not die until they were sprayed directly. They said the spray recommended by the agriculture department for pest control only worked at an early stage.

Farmers said the area under cotton had reduced drastically to an all-time low of about 97,000 hectares. They said the reason behind it was that farmers have shifted to paddy, pulses, and maize as successive governments have failed to contain pest attacks on cotton.

Dejected by the whitefly attack on his cotton crop, Kulwinder Singh of Bhagi

Bander village in the district reportedly destroyed his crop on two acres.

In August–September 2015, nearly 60 per cent of the cotton crop sown on 4.21 hectares of land was damaged. Unable to bear the losses, some farmers ended their lives.

Bathinda Chief Agriculture Officer (CAO) Jagseer Singh said, "Whitefly is quite rampant in the district, and it is due to the prolonged dry spell. Teams are visiting the fields and are recommending farmers spray the crop, which is quite effective in the early stages."

## Fertilizer sale up in Apr-May on beneficial monsoon; DAP offtake down

**Our Bureau**  
New Delhi

Fertilizer sale in India increased by 3.6 per cent to 50.7 lakh tonnes (lt) in April-May of the current fiscal as good rainfall in the growing areas helped increase offtake.

As fertilizer usage in the kharif season is linked to rainfall, good rainfall over all regions, except States which were deficient until 10 days ago, has helped increase demand for the crop nutrients.

Pan-India rainfall stands at 1 per cent above its long period average during June 1-July 24, IMD data show. Only 11 States covering 22

per cent of geographical area are deficient.

Experts said the rise in sales was due to the base effect as there was a drop during April-May 2023. Consumption of fertilizers dropped nearly 2 per cent, including a 3 per cent fall in urea during April-May last year. Consumption was 48.9 lt in the year-ago period. However, di-ammonium phosphate (DAP) sales declined by 9.3 per cent to 8.8 lt.

With the current fall in DAP sales, global prices should come under pressure as India is among top buyers of the phosphatic fertilizer, industry sources said. When



**RAINFALL BOOST.** As fertilizer usage in the kharif season is linked to rainfall, good rain over all regions have helped increase demand for the crop nutrients

DAP sales increase, overseas sellers raise their prices as they know that the Government has to bear subsidy burden to maintain the maximum retail price (₹1,350/bag of 50 kg) for the farmer.

**MOP SALES UP 52%**

According to latest official data, overall consumption of urea in first two months of current fiscal increased 2 per cent to 31.8 lt from 31.2 lt a year ago. Similarly, Muriate

of Potash (MOP) rose 53.2 per cent to 1.7 lt against 1.11 lt and complex increased by 21 per cent to 8.4 lt from 6.94 lt a year ago. Complex fertilizer is a combination of nitrogen (N), phosphorus (P), potash (K) and sulphur (S) nutrients.

Amid the government's target to make the country self-sufficient in urea by 2025, there has been a marginal drop in import to 6.4 lt from 6.92 lt in April-May. As urea is completely controlled by the Government, including its import by some select agencies, the industry does not have any issue except timely payment of subsidy. There was record im-

port of urea at 98.28 lt during FY 2020-21.

**IMPORTS TOO FALL**

Import of overall fertilizers dropped by 12.5 per cent to 24.5 lt during April-May from 28 lt a year ago, in which complex import declined maximum by 22.1 per cent to 4.5 lt from 5.78 lt and that of DAP by 18.8 per cent to 8.5 lt from 10.47 lt. Only MOP import surged 5.6 per cent to 5.1 lt from 4.83 lt.

Production of all fertilizers was a tad lower at 81.2 lt from 82.04 lt, which included urea at 51 lt (49.8 lt), DAP 6.6 lt (7.86 lt), complex 15.9 lt (15.68 lt) and SSP 7.7 lt (8.7 lt).



## 'India needs to revisit regulatory regime in fertilizer approval'

### bl.interview

**Prabhudatta Mishra**  
New Delhi

Fertilizer companies, which are controlled by the government on production, sales and even profits, hardly make announcements on investments. After a long time, there has been some capacity expansion in urea due to the revival of closed public sector units. Amid the government's changed priorities on the use of chemical fertilizers, is the industry ready to take up the challenge of helping the country meet its foodgrain requirement after 20-30 years? *businessline* speaks to Sanjiv Kanwar, MD of Yara Fertilisers India. Excerpts:

**There is a lot of talk about the imbalanced use of fertilizers. What is the solution for this?**  
There has to be an overall

assessment on how to improve the balance. It is easy because when we look at consumption, I think it's skewed in favour of nitrogen and less in favour of phosphorous and potash (P&K). Urea prices have not increased for 15-20 years and the gap between urea, on the one hand, and DAP and complex (NPK), on the other, is quite large.

So the farmer is generally going in for more urea as compared to P&K fertilizers. Price policy needs to be redesigned so that farmers are pushed and encouraged to move in the direction of balanced crop nutrition.

That is what will help in improving soil health.

**There was a study about yield from fertilizer application. Earlier from one bag, the production used to be more whereas it has declined now. That's why farmers are using**



We need to have a mix of mineral fertilizers and bio fertilizers because both have a role to play, especially when it is under stress conditions

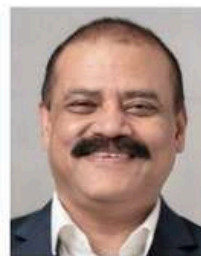
**SANJIV KANWAR**  
MD, Yara Fertilisers India

**more chemicals. Can there be a balance of chemical fertilizers as well as bio-fertilizer?**

Absolutely. As we go forward, climate change is a reality. We have seen it in the last 18 months.

We did not have enough moisture in India. We did not have snowfall in north India, in the apple-growing region, and we did not have rain as needed in the plains.

We need to have a mix of mineral fertilizers and



bio-fertilizers because both have a role to play especially in under stress conditions. So when you apply a good quality of bio-stimulant, it helps the crop to fight the abiotic stress that it faces during extreme drought conditions.

That also helps in improving or protecting farm productivity.

**How is farmers' acceptability with regard to bio-fertilizers? Because of subsidy,**

**chemical fertilizers are cheaper whereas farmers need to pay more for bio-stimulants.** It has been seen that if production is higher and people have a lot of land, they are ready to adopt this kind of crop nutrients.

I think we should keep in mind that the Indian farmer is a business person. They take informed decisions.

If a product or a concept is making a difference and improving farm productivity, they will definitely take a decision in favour of such a concept.

Over the last 4-5 years, the bio-stimulant market has been growing in India along with mineral fertilizers. So there is an acceptance in the mind of the farmers to use better quality products.

**How is the regulatory atmosphere in India when it comes to the approval of bio-fertilizers?**

I think there is a need to re-look the regulatory system that we have in place. There is a World Bank report on the ease of doing business in agriculture, probably released in 2019 just before the Covid pandemic. As per that report, India ranks 97 out of 101 countries that were surveyed on the time it takes to get new fertilizers registered in India under the Fertilizer Control Order. I think it takes around 897 days as per the report to get a new product registered in India.

It is actually preventing the farmers from accessing innovative fertilizer products that are available to their peers in the global market.

For instance, if we see something which is working very well in China and we want to launch it in India, it will take me 3-4 years to bring it here. And that's the gap that builds up between my farmer in India and his peers in the global market, which needs to be bridged.

# Agri & allied sectors see decline in contribution to overall growth

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**Hyderabad:** According to Economic Outlook 2023-24, Telangana's agriculture and allied sectors experienced a decline in their contribution to overall growth, dropping from 1.2% to 0.7% from 2021-22 to 2023-24.

Telangana's Gross State Value-Added (GSVA) also reflects shifting sectoral contributions. Agriculture and allied sectors accounted for 18% of GSVA in FY 2021-22, a figure that fell to 17% in 2022-23 and 15.8% in 2023-24.



**GROWTH DROPPED TO 0.7%**

"This suggests a slow-down in agricultural development within the state. Similarly, the industrial sector also witnessed a decline in its contribution, albeit less steep, from 3% to 1.9%," the re-

port said.

The figures indicate challenges or slower expansion within industrial activities during these years. The services sector, the most significant contributor, also reduced from 14.4% to 9.4%. This decline reflects moderate growth across service-oriented IT, healthcare, and financial services industries.

At the national level from 2021-22 to 2023-24, the agriculture and allied sector showed a declining trend, reducing from 2.2% to 0.8%, indicating slower growth in agricultural output.



# State tops in use of fertilisers, 3rd in pesticide consumption

NEERAJ MOHAN  
TRIBUNE NEWS SERVICE

NEW DELHI, JULY 26  
Punjab, India's leading agrarian state, has emerged as the top consumer of fertilisers, comprising nutrients such as nitrogen, phosphate and potash. It is also the third largest consumer of chemical pesticides in the country, according to the latest data from the Ministry of Agriculture and Farmers Welfare.

The data, shared by Union Agriculture and Farmers Welfare Minister Shivraj Chouhan, highlights that Punjab's wheat and paddy growing districts are the primary consumers of these inputs. In 2022-23, 15 districts in the state reported an average fertiliser consumption of 254.39 kg per hectare. The state's average consumption of around 223 kg per hectare is significantly higher than the national average of 90 kg per hectare.

Responding to a question by MP Satnam Singh Sandhu, Chouhan explained: "According to the Punjab Government, the per hectare consumption of fertilisers is on the higher side due to very high cropping intensity and the cultivation of rice and wheat, which are high-demand fertilizer crops."

Punjab's total gross cropped area stands at 78.71 lakh hectares, of which around 7,000 hectares are now under certified organic farming. The production of organic fertilisers has also seen a substantial increase, rising to 7,407 metric tonnes (MT) in 2022-23 from 473 MT



A farmer sprays pesticide on his wheat crop. FILE

### FERTILISER INTAKE

State average	223 kg/ha
National average	90 kg/ha

### CHEMICAL PESTICIDES (2023-24)

Uttar Pradesh	11,828 MT
Maharashtra	8,718 MT
Punjab	5,270 MT

### PROMOTING CROP DIVERSIFICATION

- The state government has taken several measures to promote crop diversification, aiming to reduce its dependency on wheat and paddy, which are primary consumers of fertilisers
- These efforts are intended to create a sustainable agricultural system in Punjab. However, the state's adoption of bio-pesticides remains low, with Punjab ranking 11th in the country

in 2021-22, indicating a growing shift towards organic farming practices in the state.

In another response, the minister informed the Rajya Sabha that the total consumption of chemical pesticides in Punjab reached 5,270 MT in 2023-24 (66 kg per hectare), up from 5,130 MT in 2022-23. This makes Punjab the third highest consumer of chemical pesticides in the country, following Uttar Pradesh (11,828 MT) and Maharashtra (8,718 MT), which have significantly larger cultivated areas of 2.41 crore hectares and 2.05 crore hectares, respectively. Pun-

jab's pesticide consumption accounts for 9.52% of the national total.

However, the state's adoption of bio-pesticides remains low, with Punjab ranking 11th in the country, consuming only 193 MT annually. Data from the Ministry of Chemicals and Fertilisers also shows a consistent rise in the consumption of key fertilisers such as urea and NPK in Punjab.

In 2022-23, the state's urea requirement increased to 29.25 lakh MT from 28.30 lakh MT in 2020-21, and NPK demand surged to 1.70 lakh MT from 0.76 lakh MT during

the same period. Conversely, the demand for DAP (diammonium phosphate) declined to 7.25 lakh MT from 8.25 lakh MT.

Minister Chouhan mentioned the implementation of the Galvanising Organic Bio-Resources Dhan (GOB-ARDhan) scheme, launched in 2018, which aims to convert organic and biodegradable waste, including cattle dung and crop residue, into bio-gas and fermented organic manure (FOM). The scheme offers financial assistance of up to Rs 50 lakh per district for the entire programme duration.



## Key Export Scheme Norms Simplified for Ease of Business

Our Bureau

**New Delhi:** To make it easier for exporters to do business, the government has simplified the Export Promotion Capital Goods (EPCG) scheme which allows import of capital goods at zero customs duty against an obligation to export.

As per a public notice issued by the Directorate General Of Foreign Trade (DGFT), exporters will now get additional time to submit installation certificates for imported capital goods, reducing pressure on businesses to meet timelines.

Also, from now all Policy Relaxation Committee (PRC) decisions regarding Export Obligation extensions and regularisation of exports will be implemented with a levy of a uniform composition fee making it easier to implement through the system. "With a view to enhance ease of doing business and reduce the compliance burden, certain provisions...are amended for EPCG authorizations issued under Foreign Trade Policy," the



DGFT said in a public notice. The DGFT has also simplified the fee structure for extending Export Obligation

periods with less paperwork and more efficiency. "These operational amendments are aimed at enhancing ease of doing business by providing up to three years from date of completion of import for submitting installation certificates, which may further be extended upon payment of a fee of ₹10,000 per year," said Mayank Arora, Director- Regulatory, Nangia Andersen India.

Additionally, requirement for submission of installation certificates for import of spares have been done away with. "These changes would ease compliance burden on capex heavy manufacturers, such as electronics, mobile and IT equipment, who have committed to make large investments under the PLI Schemes," Arora said.

An extended deadline for submitting Installation Certificates and by expanding automated rule-based processes, DGFT aims to reduce human intervention, mitigate risks and improve overall efficiency in trade facilitation.

## India terms EU carbon tax proposal as unfair

Reuters

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NEW DELHI

**I**ndia has declined to accept a European Union (EU) proposal to levy higher taxes on its carbon-producing industries, which the 27-nation bloc said it was willing to offset when those products enter its borders, a top official told *Reuters*.

The latest suggestion was made by an EU delegation led by Gerassimos Thomas, director general for taxation and customs union in the European Commission, who defended the proposed carbon border adjustment mechanism (CBAM) in meetings with Indian officials.

Economic affairs secretary Ajay Seth told *Reuters*: "Their suggestion is not practical. Their team had come and met us ... the solution they are offering doesn't work for a developing economy like India."

New Delhi has conveyed its stance to the EU delegation, labelling the proposed CBAM as unfair and detrimental to domestic market costs, Seth said.

The EU had last year approved the world's first plan to impose tariffs on imports of high-carbon goods, including steel, aluminium and cement, aiming to reach net-zero greenhouse emissions by 2050.



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