

How to bridge the gap in Bt cotton cultivation

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To keep pace with the growth story in cotton cultivation, the government needs to do more. New technologies, more stress on R&D and better procurement packages can go a long way in encouraging cultivation and improve market conditions.

Dr Gyanendra Shukla, director, Mahyco Monsanto Biotech (MMB), says, "The cost of cultivation constitutes up to 60 percent of investment and seed price is only seven-to-eight percent of the total cost. Therefore, the seed price is a miniscule issue as the farmers may pay for a good seed that can give better yield." On the current requirements, he adds, "On the contrary, there is a requirement of new technology for further improvements of seed hybrids and the industry must be duly incentivized to bring down the cost of cultivation."

Due to shortage of Bt cotton seeds in previous years, the state governments have been asking for written commitment from the seed companies about their supply plans. Owing to factors such as rainfall and seasonal variations in Bt cotton arrivals, the prices of cotton get affected. Although a seed shortage is expected, seed prices may not go up because Gujarat, Maharashtra and Andhra Pradesh governments have fixed the prices through legislation. In other states, there is an indirect price control because state governments ask for undertakings from seed companies that they will not sell seeds above the maximum agreed price.

Bridging the gap

Improve technologies to increase yields: It is time now to move on and bring in other improved technologies such as sucking pest tolerance technology; drought resistance technologies; saline tolerance technologies; and weed management technologies

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Bring down cost of cultivation: Cost of cultivation constitutes a major portion of a farmers' cost. This includes cost of labor for picking of cotton, weeding and cost of seeds. Introduction of new technologies can drastically bring down costs while increasing yields

Improve irrigation facilities: Cotton in India is largely a rain-fed crop. The government should look at providing irrigation facilities or water storage facilities

Incentivize research: Prices of seeds should be fixed in such a way that seed companies are incentivized to invest in more research on new technologies, while not burdening the farmers

Attractive procurement prices: The current low market prices of cotton could result in farmers shifting to other crops that generate better returns. The government needs to increase the price from its current level if Bt cotton is here to stay

No policy change in the middle of the year: Import or export policies on cotton should be announced in the beginning of the season, so farmers can take the right decision before sowing