

Biotech body opposes Centre's move to regulate cottonseed prices

Cautions that such decisions would impact R&D investment flows into the country

OUR BUREAU

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The ABLE-AG has opposed the Centre's move to regulate cottonseed prices and wondered how could it take such a decision without consulting the industry. It cautioned that such a step would hit investments in innovative research and development.

"We question the decision-making process that involved no prior information, discussion, or consultation by the government with the association or any of its constituent organisations or technology developer and provider and any other stakeholder in general," the Association of Biotech Led Enterprises (Agri focused Group) has said.

The association represents the seed technology provider and other agri biotech firms. In a gazette notification, the Centre an-

nounced its plan to regulate the cottonseed price, including the licence fee (to be paid by the seed firms to Mahyco-Monsanto for providing Bt technology) and royalty. It planned to put a full stop to endless rows between the State governments, seed firms and Mahyco-Monsanto on the issue of seed price every year.

"Being an association committed to the improvement of Indian agriculture through biotechnology, we strongly oppose the order and the manner in which it was adopted," Ram Kaundinya, Director-General of ABLE-AG, said.

"While a part of the Order seeks to determine Maximum Sale Price (MSP) of cottonseed under the Essential Commodities Act, it surprisingly extends to fixing a component thereof associated with innovation. We

are saddened that such action has been taken without consultations," he said.

The association had written to the ministries concerned on the issue, opposing the move.

Licensing agreements

The association contended that the agreements between the seed firms and Mahyco-Monsanto were in vogue for the last 10 years. "Such arrangements reflected the prevailing environment in the country including seed-price controls which have been in place in some States. Trait fees for cotton technologies in India are amongst the lowest in the world and comprise only about 1-2 per cent of the total cost of cultivation," he argued.

Paresh Verma, Head of Management Committee of ABLE AG, said that any policy that brought in adhocism related to potential return on investment would hit research investment decisions of technology development companies.