



## The Southern India Mills' Association

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### NEWS CLIPPINGS –08-02-2018

<b>GST-hit MSMEs get more time to pay dues</b>	<b>The Hindu</b> <a href="http://www.thehindu.com/todays-paper/tp-business/gst-hit-msmes-get-more-time-to-pay-dues/article22684084.ece">http://www.thehindu.com/todays-paper/tp-business/gst-hit-msmes-get-more-time-to-pay-dues/article22684084.ece</a>
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#### **Additional 180 days for borrowers: RBI**

The Reserve Bank of India (RBI) has allowed micro, small and medium enterprises (MSMEs), whose cash flow was hit due to implementation of Goods and Service Tax (GST), additional time to pay their dues to banks and non-banking finance companies.

#### **Registered borrowers**

MSMEs with exposure of less than Rs. 25 crore, would get additional 180 days to pay their dues, provided the borrower is registered under the GST regime and the borrower account was standard as on August 31, 2017. "The amount from the borrower overdue as on September 1, 2017 and payments from the borrower due between September 1, 2017 and January 31, 2018 are paid not later than 180 days from their respective original due dates," RBI said, stipulating a condition.

At present, banks and NBFCs classify a loan account as non-performing asset (NPA) if payment is due for more than 90 days and 120 days respectively. "The provision in respect of the account may be reversed as and when no amount is overdue beyond the 90/120-day norm," the banking regulator said.

<b>Absence of facility hits local producers</b>	<b>Times of India</b> <a href="https://timesofindia.indiatimes.com/city/coimbatore/absence-of-facility-hits-local-producers/articleshow/62827344.cms">https://timesofindia.indiatimes.com/city/coimbatore/absence-of-facility-hits-local-producers/articleshow/62827344.cms</a>
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Industrialists in the city want exclusive freighter flight services to European and Gulf countries from the Coimbatore International Airport to tap engineering, textile and perishable goods for export.

Kongu Global Forum (KGF) convenor Vanitha Mohan told TOI that Coimbatore, Tirupur, Erode, Salem, Namakkal, Karur and Nilgiris districts have enormous potential for export in the Western Tamil Nadu. "Most of the textile,

automobile, engineering goods and perishable goods are transported to Bengaluru and Kochi airports for exports from western Tamil Nadu. We have a lot of potential for exports of perishable goods to the Gulf countries and Singapore. Vegetables have to be transported overseas immediately from the Coimbatore cargo complex. Only then can we compete in the international market. But these days, we are forced to transport perishable items in trucks with freezer availability to the Bengaluru airport for export. The exporters are also forced to increase the price of the perishable goods. We are approaching the civil aviation ministry, the Airport Authority of India and many freighter flight operators to operate flights to the Gulf countries and Singapore from the Coimbatore International Airport," said Vanitha Mohan.

K Ilango, former CII Coimbatore Zone chairman, told TOI that a freighter flight should be operated directly to European destinations or via Dubai from the Coimbatore International Airport. Many exporters from Udhagamandalam send perishable goods, including flowers, to the Bengaluru airport for export. Amsterdam is the main market for flowers. "If we have freighter flight service to European countries, cut flower cultivation can be increased in the Nilgiris district and our production and economy also see a subsequent rise in Western Tamil Nadu.

V Sundaram, president, CODISSIA, said Coimbatore airport director R Mahalingam told industrial associations a few months ago that he would arrange a bonded truck to the Chennai airport from the Coimbatore cargo complex carrying tonnes of engineering, textile and other goods to the Chennai airport for export.

**E-comm cos may help Tirupur textile producers to reach customers at doorstep**

**Times of India**

<https://timesofindia.indiatimes.com/city/coimbatore/e-comm-cos-may-help-tirupur-textile-producers-to-reach-customers-at-doorstep/articleshow/62827144.cms>

The dollar city may be the knitwear capital of the country and may manufacture textile products to various leading global brands. But only a few companies here have succeeded in reaching to customers directly, that is in business to consumer-b2c market. This might soon change as Amazon.com Inc, the world's largest e-commerce company, would provide its platform for Tirupur knitwear manufacturers to promote their brands and reach customers.

"Only big players who could afford the cost of networking were able to promote their own brands. But with the help of e-commerce companies, even small manufacturers could promote their goods. The partnership with Amazon, and also Flipkart, another e-commerce player who earlier had approached us, would provide equal ground to all manufacturers to grow in b2c market," Tirupur exporters' association president Raja M Shanmugham told TOI. Amazon has witnessed huge interest across the world for apparel and other textile goods from Tirupur. We see huge potential for small and medium enterprises to scale up their export through b2c e-commerce

channel across categories like T-shirts, dresses other consumer textile products," said Abhijit Kamra, head - global selling, Amazon India. Keeping this in mind, Amazon and FICCI-CMSME (confederation of micro, small and medium enterprises) have conducted a workshop for the apparel exporters in the city on Wednesday.

#### Cut service tax on diesel: TN truckers

#### Business Line

<http://www.thehindubusinessline.com/news/cut-service-tax-on-diesel-tn-truckers/article22681838.ece>

Truckers in the city have threatened to stop plying their vehicles for a day if the Tamil Nadu government does not reduce service tax on diesel and put off the implementation of e-way bill by six months. Nearly 50,000 trucks from other States and over 2 lakh trucks within the State ply daily. The sudden increase in service tax in Tamil Nadu and tax reduction in Karnataka is hurting truckers of the State, said PV Subramani, Vice-President (south zone), All India Motor Transport Congress, and former president of Chennai Goods Transport Association.

There is a price difference of nearly ₹3 per litre between Tamil Nadu and Karnataka. Subramani said transporters spend nearly 45 per cent of the freight cost on diesel. The current service tax on diesel is 27 per cent in Tamil Nadu, compared to 19 per cent in Karnataka. Nearly 30 lakh litres of diesel are sold every day in Tamil Nadu. "We request a modest 10 per cent reduction in the service tax," he said. Also, with truckers filling up fuel in the neighbouring State, Tamil Nadu is losing nearly ₹30 crore daily, he told newsmen. The association members plan to meet officials of the State government with their demands. "We will wait for 20 days. If our demands are not met, we will consult AIMTC and call for a one-day stoppage of vehicles," said Subramani.

#### E-way bill problems

On the recently implemented e-way bill, Subramani said it is was causing hardship to truckers, especially for small transporters, who have little knowledge regarding online systems. Given the cost involved in installing RFID devices in the vehicles, not many transporters may opt for it, he said. "We appeal to tax authorities in the State to give us more time to adjust to the new system and not start imposing penalties from day one," he said.

#### A Sakthivel elected as vice chairman of

AEPC

#### Fibre 2 Fashion

<http://www.fibre2fashion.com/news/apparel-announcement-news/a-sakthivel-elected-as-vice-chairman-of-aepec-240507-newsdetails.htm>

Dr. A Sakthivel, well-known for placing Tiruppur cluster on the world map, has been unanimously elected as the vice chairman of Apparel Export Promotion Council (AEPC) for 2018-19. He has previously been the chairman of AEPC for three tenures in the year 1998, 2004 and 2012 and has also been a member of Executive Committee of

AEPC for the last 35 years. During his earlier tenures as AEPC chairman, he had steered projects like the Knitwear Technology Mission, the Sector Skill Council for Apparel, a national Social Compliance Project for apparel sector and several other initiatives for holistic development of the sector. In his over four decades career, Sakthivel has held various positions including that of the chairman of Indo American Chamber of Commerce (IACC). He is the founder president of Tiruppur Exporters' Association (TEA), which he served for 25 years. The Government of India had bestowed him with Padma Shri in 2009 for his contribution to the apparel industry, including helping Tiruppur become the main cluster for sourcing knitwear supplies from India. As a guide and mentor, he had steered the growth of knitwear exports from Tiruppur from a mere Rs 15 crore in 1984-85 to more than Rs 27,000 crore in 2016-17.

Dr. Sakthivel has also served as the president of Federation of Indian Exports Organisations (FIEO) and currently holds the position of FIEO chairman for Southern Region. He is the first chairman of Sector Skill Council for Apparel, Made-ups & Handlooms (SSCAMH) which has the mandate to develop skills repository standards, evaluation criterion, and accreditation system for creating employability in the apparel sector. He is also the chairman of Tiruppur based Poppys Knitwear, which exports to over 50 countries worldwide and is a trusted supplier to global brands like Marks & Spencer's, Next, Tesco, Waitrose, Mothercare, Debenhams, John Lewis, etc

<p><b>GST-led liquidity crunch forcing exporters to refuse orders: FIEO</b></p>	<p><b>Economic Times</b>  <a href="https://economictimes.indiatimes.com/news/economy/foreign-trade/gst-led-liquidity-crunch-forcing-exporters-to-refuse-orders-fieo/articleshow/62821676.cms">https://economictimes.indiatimes.com/news/economy/foreign-trade/gst-led-liquidity-crunch-forcing-exporters-to-refuse-orders-fieo/articleshow/62821676.cms</a></p>
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Liquidity problems emanating from delay in refund of Goods and Services Tax (GST) is forcing exporters to turn down new orders, exporters' body FIEO said today The Federation of Indian Export Organisations (FIEO) also said that micro, small and medium enterprises (MSMEs) are cutting their workforce due to cash crunch. FIEO Director General Ajay Sahai said that exporters are worried with the delays in the refund

"Many of them have not received a single rupee in last seven months or so. Few exporters have refused new orders as they have no liquidity to finance new exports. Liquidity crunch has forced many MSME to cut the workforce also," he told . Sahai said that as per the feedback from exporters, about 80 per cent of the refund is pending and the tax authorities are not accepting the application of input tax credit (ITC).

The organisation has time and again raised their concerns on GST, saying it would dent the liquidity situation of traders and increase compliance cost of merchant exporters.

Before GST, exporters used to get ab-initio exemptions from duties. But now, they have to pay first and then seek

refund. Due to this process, FIEO had stated that about Rs 1,85,000 crore could get stuck with the government. On the proposal to introduce e-wallet mechanism to resolve the liquidity problem, Sahai said it is supposed to be introduced from April 1 this year "but still even broad contours of the scheme have not been notified". He said that so far no consultation has happened with the trade and industry. "We are apprehensive whether the scheme will be introduced from April 1 or at a later date," he added. The country's total merchandise exports during April- December 2017-18 grew by 12.05 per cent to USD 223.512 billion.

<b>Gujarat gets 8,500 applications for GST refunds</b>	<b>Times of India</b> <a href="https://timesofindia.indiatimes.com/city/ahmedabad/gujarat-gets-8500-applications-for-gst-refunds/articleshow/62827213.cms">https://timesofindia.indiatimes.com/city/ahmedabad/gujarat-gets-8500-applications-for-gst-refunds/articleshow/62827213.cms</a>
<p>As many as 8,500 online applications for refunds under GST have been received by the state government and refunds to the tune of Rs 950 crore have so far been given to business owners and traders, said commissioner of state tax, Gujarat government, PD Vaghela on Wednesday. "We have started providing GST refunds manually. As far as Gujarat is concerned, applications for refunds worth Rs 1,250 crore were received, of which Rs 950 crore have been processed and refunded," he said while addressing a programme at Gujarat Chamber of Commerce and Industry (GCCI) in the city. The processing of remaining amount is under way.</p> <p>The state tax department has received 8,500 online applications claiming refunds of State Goods and Services Tax (GST) as on as on February 4. "Out of this, 5,600 applications pertain to refunds of penalty, which was waived off by the government. The amount involved in these applications is just Rs 69 crore," said Vaghela. Stating that the government has started providing refunds manually and business community is also required to submit application in physical form to claim the refunds Vaghela said, "As against the total number of online applications, only 1,300-1,400 physical applications have so far been submitted. I request those concerned to provide physical applications for faster processing of the refunds." "As far as IGST refunds on exports is concerned, these refunds are provided by the customs department and not by the state tax department. However, these refunds are also being processed. And, the situation will improve substantially over the next 10 days," he said. On E-way bill, Vaghela said that the central government has deferred the implementation of e-way for inter-state transportation of goods and has not specified any date for resuming the implementation. "The announcement could take 10 days or 20 days. For intra-state (within the state), e-way bill rollout in Gujarat has been postponed till February 20. We will synchronize the implementations as and when central government announces new date for rollout of inter-state e-way bill," he said.</p>	

<p><b>MSMEs to lead Indian economy's consolidation phase: Jaitley</b></p>	<p><b>Fibre 2 Fashion</b>  <a href="http://www.fibre2fashion.com/news/announcement/msmes-to-lead-indian-economy-s-consolidation-phase-jaitley-240506-newsdetails.htm">http://www.fibre2fashion.com/news/announcement/msmes-to-lead-indian-economy-s-consolidation-phase-jaitley-240506-newsdetails.htm</a></p>
<p>Indian finance minister Arun Jaitley has termed the micro, small and medium enterprises (MSME) sector the economy's backbone that would lead the current phase of consolidation after a series of major structural reforms. The sector's health is vital, he said after launching CriSidEx, the first sentiment index for micro and small enterprises (MSEs). One of the largest employers, the MSME sector is witnessing an increased integration into the formal economy and in a country with a vast population, the scope for employment either in government or in the large industry has a limited potential, Jaitley said.</p> <p>Developed jointly by CRISIL and SIDBI, CriSidEx is a composite index based on a diffusion index of 8 parameters, and measures MSE business sentiment on a scale of 0 (extremely negative) to 200 (extremely positive).</p> <p>Jaitley said this index will be of some use to companies but of much greater use for policymakers for making necessary changes, according to a news agency report. The launch of the index is timely as the government has really enabled MSME in terms of credit needs and taxation relief in the last few months, financial services secretary Rajiv Kumar said. The index would be an accurate barometer of trends on ground as not much statistics emanates now from MSE geographies, SIDBI chairman and managing director Mohammad Mustafa said.</p>	

<p><b>Agri officers told to gear up for cotton crop season</b></p>	<p><b>Tribune India</b>  <a href="http://www.tribuneindia.com/news/bathinda/agri-officers-told-to-gear-up-for-cotton-crop-season/540332.html">http://www.tribuneindia.com/news/bathinda/agri-officers-told-to-gear-up-for-cotton-crop-season/540332.html</a></p>
<p>The Director, Agriculture Department, Punjab, Dr Jasbir Singh Bains convened a meeting with agriculture officers of seven districts — Bathinda, Mansa, Barnala, Moga, Muktsar, Sangrur and Fazilka — here today. During the meeting, the director discussed issues related to the cotton crop such as early sowing, proper and adequate distribution of canal water, sale and use of recommended variety of cotton crop among others. He said in the cotton crop season, pest surveillance teams would be constituted at district and block levels and the department would make efforts to provide adequate staff for these teams to ensure good yield of cotton crop. Congratulating the officers for the good crop yield last season, Bains directed them to work with dedication this season as well. He added that the department was fully prepared to provide the farmers with good quality seeds and other inputs for cotton crops and the farmers would not have to face any trouble availing of the same.</p> <p>Terming canal water supply “most important” for the cotton crop, he directed the district agriculture officers to ensure it and also asked them to keep a check on unauthorised sale of substandard cotton seeds brought from</p>	

Gujarat. He added that teams might be constituted in all districts to keep a check on the trains coming from and going to Gujarat to curtail the use of cotton seeds from that state. The teams constituted specifically for the cotton season will start functioning from March and will be active till the sowing of the cotton crop to ensure use of recommended variety of seeds and timely detection of pest attack and control of the same.

**Refuge planting needed to slow pest resistance to Bt cotton'**

**Business Line**

<http://www.thehindubusinessline.com/economy/agri-business/refuge-planting-needed-to-slow-pest-resistance-to-bt-cottonep/article22681448.ece>

Study in Telangana, AP reveals that not limiting area under Bt crop too helping bollworm develop resistance

Indian farmers' refusal to grow proper refuge crops around Bt cotton fields and to limit the area under the transgenic crop are helping pests fast develop resistance to the transgenic technology, according to a study carried out in Telangana and Andhra Pradesh.

The proportion of American bollworm insects resistant to Bt toxin *Cry1Ac* has gone up 65 times and 29 times on Bt cotton fields in Telangana and Andhra Pradesh respectively, in 12 years since the introduction of transgenic crop in 2002, showed the study carried out jointly by entomologists from Prof. Jayashankar Telangana State Agricultural University (PJTSAU) in Hyderabad and their counterparts in the US.

The main authors of the study, which appeared in the journal *Crop Protection* recently, were TVK Singh of PJTSAU and his research student Vinod Kukanur. A co-author of the study was Keshav R Kranthi, former Director of the Central Institute of Cotton Research (CICR), who currently heads the technology information division of the Washington-based International Cotton Advisory Committee.

### **Need for refuge crops**

In kharif 2017-18, cotton was grown over a total of 12.25 million hectares. Of this, 89 per cent of the area was covered with Bt cotton, which was an increase of 7 per cent over the previous season. Interestingly, Australia managed to keep the frequency of American bollworm resistant to *Cry1Ac* low because it has allowed only 30 per cent of its total cotton area to be under Bt and enforced strict compliance to grow refuge crops.

Growing refuge crops around Bt cotton reduces the chance of the pests developing resistance, which is a survival strategy for them. When crops that the insects can feed on are around, there is only a limited evolutionary pressure for the pests mount an attack on the Bt toxin.

## **Pink bollworm attack**

Indian farmers grow two varieties of Bt cotton — Bollgard-I and Bollgard-II. As the names suggest, Bollgard-I has one Bt toxin (*Cry1Ac*) and Bollgard-II has two toxins — both *Cry1Ac* and *Cry2Ab*. Bt cotton is meant to control the three species of bollworms in India, American bollworm, pink bollworm and spotted bollworm. While American bollworm has developed some resistance to *Cry1Ac*, there are no field reports yet about the pest becoming resistant to *Cry2Ab*. However, pink bollworm, which is lesser virulent than American bollworm but still causes widespread damage to the cotton crop, has become resistant to Bollgard-II. It was the pink bollworm that destroyed vast tracts of cotton fields in Telangana and Maharashtra recently. “Going for an overkill by saturating Indian cotton area with Bt cotton is precipitating the crisis,” said Kranthi.

## **American bollworm**

“The issue of American bollworm resistance to Bt cotton is very serious. Unfortunately, such issues gain prominence in India only after they would have taken a toll. The American bollworm is a monster that is difficult to manage, unlike the pink bollworm,” Kranthi told *BusinessLine*.

“Losses would be huge when the American bollworms also develop resistance. This pest can be devastating. Resistance management strategies are not taken seriously in India as proactive initiatives. Therefore resistance can be expected to strike sooner, said the former CICR Director. The fact that American bollworm has become increasingly resistant to Bt cotton has been known for some time. The present study examines the issue in greater depth, said Imran Siddiqi, a geneticist at the Hyderabad-based Centre for Cellular and Molecular Biology.

## **Shed Inhibitions on GST**

## **The Hindu**

<http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/shed-inhibitions-on-gst/article22684451.ece>

“Industrialists in Tirupur apparel cluster should shed their inhibitions on Goods and Service Tax for achieving compliance and thereby getting refund of Input Tax Credit (ITC) at the earliest” said M. Periasamy, Joint Commissioner of GST and Central Excise, during an interaction of officials and industrialists organised by the Tirupur Exporters Association here.

## **Refund**

Regarding the complexities cited by the apparel industrialists here on the ‘unutilised ITC’ on account of ‘inverted duty structure’ in the GST, Mr. Periasamy told The Hindu that the government was ready to refund that too. Since such cases mostly arise in dyeing and printing segments of the apparel production chain, the other GST officials



added that the entrepreneurs could offset the 5 % output tax against the input tax credit levied at the time of purchase of raw materials where they be would paying 18 %.

“Any excess credit in the ITC credit ledger then can be claimed while filing the refund application”. On the scepticisms pertaining to e-Way billing system for transportation of goods costing more than Rs. 50,000, Mr. Periasamy said the apparel manufacturers here should voluntarily start using the system from now itself instead of waiting for the rule to become mandatory. “This will help them getting used to the system and raise doubts or issues to the authorities”, he added.

<b>Power supply to dyeing unit disconnected</b>	<b>The Hindu</b> <a href="http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/power-supply-to-dyeing-unit-disconnected/article22684457.ece">http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/power-supply-to-dyeing-unit-disconnected/article22684457.ece</a>
<p>The Tamil Nadu Pollution Control Board has ordered disconnection of power supply to a dyeing unit attached to Veerapandi Common Effluent Treatment Plant (CETP) for indiscriminate discharge of effluents into the water bodies.</p> <p>Board’s District Environmental Engineer K. Senthilvinayagam said the dyeing unit Frontline Exports was caught for discharging effluents into a drain that leads to River Noyyal. “The clandestine discharge of effluents through an unauthorised pipeline laid on the unit premises was detected during the check carried out by Board’s officials following complaints from the people in the vicinity”, he added.</p> <p>Tangedco</p> <p>The order to disconnect the power supply was handed over to Tamil Nadu Generation and Distribution Corporation, said Mr. Senthilvinayagam.</p>	

<b>Budget 2018 promise: How MSP-based deficiency payments could cost Rs 80,000 crore or more</b>	<b>Financial Express</b> <a href="http://www.financialexpress.com/budget/budget-2018-promise-how-msp-based-deficiency-payments-could-cost-rs-80000-crore-or-more/1057199/">http://www.financialexpress.com/budget/budget-2018-promise-how-msp-based-deficiency-payments-could-cost-rs-80000-crore-or-more/1057199/</a>
<p>Budget 2018: Though the Budget did not specify which cost will be used, chances are the lower A2+FL will be used. In the case of paddy, for instance, MSPs will need to be raised by around 11%, 18% in the case of cotton, 41% for jowar, etc, using even this lower cost as the base.</p>	

Budget 2018: The Budget's promise of minimum support price-based deficiency payments, should the government not be able to procure all crops at MSP, could cost around Rs 80,000 crore based on conservative estimates. It will also trap the farm sector in massive bureaucracy and corruption as farmers will need to be registered to get these sops and some babu will need to clear the payments. The estimates are based on current MSPs, not on the hikes that will need to be made if the new MSPs — also a Budget promise — are based on 1.5 times the A2+FL costs which are lower than the C2 costs the MS Swaminathan report had recommended. Though the Budget did not specify which cost will be used, chances are the lower A2+FL will be used. In the case of paddy, for instance, MSPs will need to be raised by around 11%, 18% in the case of cotton, 41% for jowar, etc, using even this lower cost as the base. A simple exercise has been done, assuming that all production will be eligible for the deficiency payments — fruit and vegetables have not been included in the calculations.

In the case of wheat and rice, where substantial procurement takes place, only that portion of the crop that is not procured has been used for the exercise. Of the 105-110 million tonnes of both kharif and rabi rice, only 60 million tonnes has been assumed in the calculations for deficiency payments.

Similarly, of the 95-100 million tonnes of wheat, only 40 million — roughly that grown in states like Uttar Pradesh and Rajasthan — is assumed to be eligible. The main calculation assumes a 20% shortage in the market price over the current MSP — a 10% assumption halves the deficiency payment to Rs 40,000 crore. In Madhya Pradesh, where the scheme is being implemented by the state, the price deficiency is even higher thanks to likely manipulation by traders. In the case of urad, for example, the ruling price is 43% lower than the MSP; the ruling market price in Madhya Pradesh is even lower, but the scheme uses an average price for a few states. The fact that just 32% of urad production in the state is registered under the scheme suggests corruption is quite high. Otherwise, given the benefits to be got, everyone should have registered.

Under normal MSP-based procurements, only a certain proportion of the crop is available for sale to the government procuring agencies. But, in this case, since a deficiency payment is being made, all farmers should line up and bring all their crop to get the payment — the amount for personal consumption can be bought back at the lower prices. The entire crop coming into the market will depress prices further and raise the deficiency payments. A higher MSP will also make several crops — like cotton — less export-competitive and this will also depress prices if the crops come into the domestic market.

<p><b>Mauritius to participate in Uttar Pradesh Investors Summit 2018</b></p>	<p><b>KNN India</b>  <a href="http://knnindia.co.in/news/newsdetails/state/mauritius-to-participate-in-uttar-pradesh-investors-summit-2018">http://knnindia.co.in/news/newsdetails/state/mauritius-to-participate-in-uttar-pradesh-investors-summit-2018</a></p>
<p>With Mauritius coming aboard, UP Investors summit got its 6th partner country to participate in Uttar Pradesh Investors Summit 2018.</p> <p>The two day event will be held on Feb 21-22.</p> <p>Other countries including Japan, Netherlands, Finland Czech Republic and Slovakia are to attend the summit. Former Prime Minister of Mauritius Anirudh Jagnath is likely to lead a high-level delegation from that country to participate in the investors meet. It is expected that this meet is to be inaugurated by Prime Minister Narendra Modi On Feb 21. The state is also expecting to get bigger investments from their partner countries. Chief Minister Yogi Adityanath will meet the partner countries delegations separately on Feb 21 and 22 as per the schedule. The companies from these 6 nations are exploring possibilities to invest in UP and besides they would also looking forward to provide soft loans for the state run projects. Preparations of this first mega event of the Adityanath government is on bang , entire state capital is set off with renovations of roads and walls being decorated with beautiful paintings. The state government has accelerated implementation of new policies in all key sectors, including industry, food processing and tourism and also has identified land in each of 75 UP districts for setting up industrial units and allocating them to investors on demand. The 11 key areas are being identified for investments namely civil aviation, IT-enabled services, dairy, electronics manufacturing, tourism, MSME, infrastructure, renewable energy, films, handloom/textile, and agro/food processing.</p>	

<p><b>Curious case of Pakistan's falling cotton production</b></p>	<p><b>Tribune India</b>  <a href="https://tribune.com.pk/story/1296035/curious-case-pakistans-falling-cotton-production/">https://tribune.com.pk/story/1296035/curious-case-pakistans-falling-cotton-production/</a></p>
<p>The farmer may have died but the old myth is pretty much alive: Pakistan is an agrarian economy. After decades of discreet slow poisoning amid high-pitched rhetoric, the cotton crop is no more the same it once used to be. They say reality is best served plain. At the risk of being condemned for being melodramatic, I would say the cotton produce has not just declined steadily over the years but also with the help of the high and mighty. Owing to complex produce statistics thrown in your face, the real story remains hardly spoken. For instance, a recent assessment by the Cotton Crop Assessment Committee (CCAC) Pakistan puts expected produce at 10.542 million bales (1 bale equaling 170 kgs) during the current season. Without being contextualised, the numbers make little sense for an average PakistaniTo contextualise, the highest cotton produce recorded so far was in 2004 registered 11,138 million bales while the nearest spike was in 2014 at 10,600. Why on earth is the country's signature cash</p>	

crop registering steady decline when technology and seed both should have helped otherwise. The year 2015 was the worst since 1998 as production fell to 7,000 million bales. The decline in cotton crop production can be understood by examining certain key factors, for instance area of cultivation, impact of insect pests, disease situation, market pattern and above all role of the regulator (the state).

#### Reason for declining production

Here is the reason as to how and why: In 2016, cotton was sowed on 20% less area in Punjab given the consistent trend of lower prices, decreasing rate of return relative to other crops and of course overall weather forecast. If a not-so-scientific crop assessment criterion is to be believed, the CCAC estimate Punjab producing 6.903 million bales, Sindh 3.6 million, Balochistan 3,800 and Khyber Pakhtunkhwa 1,000. The imminent affectee of discouraged cotton producers is the ginner who waits throughout the year for a bumper yield. The Pakistan Cotton Ginners Association (PCGA) is totally disappointed at the projected estimates. To them, 20,000 million bales will be at par not only with their needs but also for the country's economy.

Dr Jeso Mal who heads the association recently asked the government to take practical measures to be able to export the high value produce and value-added products while saving Rs40 billion otherwise spent to import some 4 million bales. The industry as well as farmers disagree that climate change and erratic rainfall can be blamed for the cotton produce crisis. While they seek better seeds and better price, they remain extremely doubtful about outdated and untested genetically modified seed.

During the Zardari regime in 2010, the GM seeds legitimately entered the Pakistani market after being smuggled from India for almost a decade. While smuggling of cheaper and vulnerable GM seed sees its highs and lows, it is basically driven by weak pricing regime the cotton crop has been facing over the years. The trend raises questions about Pakistan's seriousness to evaluate GM or BT (*Bacillus Thuringiensis*) seeds from the perspective of its peculiar climate, soil and fertilisers etc. Sans stringent GM seed evaluation criteria along with incentive to the farmers, the produce will increasingly become unpredictable and vulnerable. Moreover, local research on cotton seeds has been a crucial guiding star until funding crunch hit it hard. The ugly reality is that the existing GM seed is too weak against the pest and worms, which have evolved strong immunity to its toxins.

The issue of decline of cotton produce due to seed-related issues, lack of proper pricing and soaring cost and use of pesticides is here to stay, requiring urgent consultation and policy formulation. The not-so-idealistic dream of doubling Pakistan's cotton produce can't be realised without restoring the growers' confidence, which not only begs boost by ensuring good price but also provision of quality seed. The writer is an investigative journalist and academic with extensive reporting experience in the Middle East and North Africa .