India may further cut Monsanto GMO cotton royalty, eventually to zero

Regardless of technology companies like Monsanto crying foul, the Modi government is likely to follow a plan to reduce the trait value (royalty) for [insect resistant] Bt cotton seeds year after year, and in a few years, to zero.

According to official sources, an agriculture ministry-anchored committee meeting, [Monsanto faces] another 10% reduction in trait value, which was slashed a steep 70% a year ago.

After last year's cut in the fees to Mahyco Monsanto Biotech (MMBL), a joint venture between the US-based biotech major Monsanto and Maharashtra-based Mahyco, the trait value has been just 6% of the pan-India ceiling price of R800 [about \$12] per packet for the seed.

MMBL had moved the <u>Delhi High Court</u> against the reduction in trait value and the capping of the seed price, arguing that the December 2015 price control order was "illegal and unconstitutional". The court is yet to decide on the matter.

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About 83% of the country's cotton area of 10.2 million hectares (in the 2016-17 season) was under Bt variety. The country's cotton production has risen manifold since the introduction of Bt seeds — from 13.6 million bales in 2002-03 to a projected 32.12 million bales in 2016-17.

The GLP aggregated and excerpted this blog/article to reflect the diversity of news, opinion, and analysis. Read full, original post: Modi-government likely to reduce the trait value for Bt cotton seeds year after year