

NEWSLETTER



KEY HIGHLIGHTS

In January 2026, the MIDS students organised an all-day academic engagement on the works of Professor Ajit Menon and gave him an emotional farewell on his official retirement. Ajit's students also brought out a short book, *Mentorship Musings*, in honour of their professor, which was well received. The institute conducted a public talk by Dr Vamsi and a seminar by the soon-to-be retiring Professor L Venkatachalam.

The MIDS faculty continued to publish their work. Dr D Subbarao, the Chairperson, prior to the union budget 2026-27, wrote an open letter to the Finance Minister which appeared in the *Times of India*. Professor M Suresh Babu, the Director, wrote an article on competitive markets which appeared in *Live Mint*.

Dr M Umanath, towards the end of the past year, along with his collaborators, produced four new research papers in various journals broadly on agricultural credit, non-farm activities, the forest cover and economic development, and paddy productivity.

Dr Smruthi Bala Kannan, with her colleagues at her former institution University of Chicago, published a study on the politics of bicycling. Professor A R Venkatachalapathy gave an interview to *Hindu Tamil Thisai* emphasising the need for more women to take up non-fiction writing. S Yukesh, public policy student at MIDS, penned an article on the winter blooms in Nilgiris in *The Hindu*.

FEATURED RESEARCH

DOES ACCESS TO AGRICULTURAL CREDIT AFFECT THE PERFORMANCE OF SUGARCANE PRODUCTION IN INDIA

by Umanath M, Paramasivam R, Karthick V, Jafar K, & Hafsal K



Sugarcane is a commercial crop that demands substantial external inputs to maximize yield and income. However, the capital availability for marginal and small farmers continues to be insufficient. Successive governments in India have introduced a number of credit policies to overcome capital constraints in agricultural production. However, literature indicates a larger level of inefficient production. This study aims to assess the impact of agricultural credit on the productivity and income of sugarcane producers in India. Based on national sample survey data pertaining to the year 2018-2019, an endogenous switching regression model was employed to determine the true effect of credit access. Our findings reveal that the productivity and income of farmers who grow sugarcane have significantly increased due to credit access. The study also found that if these farmers had access to credit, they could potentially experience an increase of 1,172 kg per acre in yield, and their farm income could increase by Rs. 10,221 per farm. Thus, it is suggested that efforts to extend credit supply to all farmers and strengthen financial literacy regarding access to institutional credit may help achieve additional yield per unit area and income per farm.

NON-FARM ACTIVITIES IN RURAL INDIA: IMPACT ON FARM INPUT USE AND HOUSEHOLD CONSUMPTION EXPENDITURE

by Umanath M, Paramasiavam R, Alli P, & Karthick V

Non-farm income activities significantly boost farm household expenditures, with consumer spending rising by 31% and farm input costs by 41% compared to others. These findings highlight the need for policies supporting rural income diversification and employment to ensure economic stability.

THE FOREST COVER AND ECONOMIC DEVELOPMENT NEXUS IN INDIA: A COINTEGRATION PERSPECTIVE

by Umanath M, Paramasivam R, Alli P, Karthick V, & Balasubramanian M

This study explores the long-run relationship between deforestation and economic development indicators in India using time series data from 1960-61 to 2014-15 and an autoregressive distributed lag (ARDL) model. The results confirm a significant cointegrating relationship, with deforestation following an inverted U-shaped Environmental Kuznets Curve (EKC). The income turning point (ITP) lies above the 2013-14 per capita GDP, indicating that India has moved into the EKC phase where economic growth is associated with declining deforestation. The error correction mechanism (ECM) reveals that 89% of short-run deviations in forest cover adjust toward long-run equilibrium annually, reinforcing the stability of this EKC-consistent relationship. The findings stress the importance of continued conservation efforts and strong land-use policies to sustain this positive transition.

ROLE OF AGRICULTURAL CREDIT IN ENHANCEMENT OF PADDY PRODUCTIVITY AND FARM INCOME IN INDIA

by Umanath M, Paramasivam R, Ambika S, & Saravanakumar V

The present study aims to estimate the effect of agricultural credit on paddy productivity and farm income in India. Using National Sample Survey Office data for the year 2018-2019, we deploy an endogenous switching regression model to assess the real impact of access to credit, and we find that it has significantly increased productivity and income. Access to credit is also expected to benefit those who have not yet accessed it. Some of the factors that significantly determine access to institutional credit for agriculture are extension contacts through progressive farmers, training, medium-sized farms, awareness of minimum support price, crop insurance and social category. Therefore, extending credit access to all farmers and enhancing the financial literacy of paddy farmers in utilizing institutional credit are likely to contribute to increased yields and higher farm incomes.

THE STATUS AND POLITICS OF BICYCLING IN THE CITIES OF LOW- AND MIDDLE-INCOME COUNTRIES

by Smruthi Bala Kannan, Rahul Goel, Ernest Agyemang, Zahidul Quayyum, Srishti Agrawal, Anisur Rahman Bayazid, Jonathan Anjaria & Kavi Bhalla



Bicycling is promoted in low- and middle-income countries to reduce emissions and improve public health. However, transportation policies often replicate built infrastructure logics from high-income countries, with limited attention to local bicyclists' experiences and contextual realities. Here, drawing on intercept surveys, semi-structured interviews and ethnographic observations in cities of four low- and middle-income countries, we examine the current state of bicycling and user-perceived barriers. We find that bicycling is largely undertaken by low-income adult men, while women and children cycle mainly within neighborhood enclaves. We identify impediments beyond physical infrastructure, including financial systems, maintenance networks, manufacturing and design capacities, and social supports that shape everyday cycling. Using a mobility justice lens, we examine how these bicycling cultures have persisted within automobile-centric urban geographies. We highlight the importance of addressing these evidence, policy and implementation gaps through an 'ethics of care' approach, supported by regional health and environmental agencies and grounded in context-sensitive research.

(FACING PAGE) PHOTOGRAPHS FROM JANUARY EVENTS

January 2026

EVENTS@MIDS



The MIDS Monthly
NEWSLETTER

ARTICLES IN JOURNALS

Smruthi Bala, K., Goel, R., Agyemang, E., Quayyum, Z., Agrawal, S., Bayazid, A. R., Anjaria, J., & Bhalla, K. (2026). The status and politics of bicycling in the cities of low- and middle-income countries. *Nature Cities*, 3, 58–67. <https://doi.org/10.1038/s44284-025-00367-y>

Umanath, M., Paramasiavam, R., Alli, P., & Karthick, V. (2025). Non-farm activities in rural India: Impact on farm input use and household consumption expenditure. *Economic & Political Weekly*, 60(48). 20–23. <https://www.epw.in/journal/2025/48/commentary/non-farm-activities-rural-india.html>

Umanath, M., Paramasivam, R., Alli, P., Karthick, V., & Balasubramanian, M. (2025). The forest cover and economic development nexus in India: A cointegration perspective. *Discover Sustainability*, 6, article 1462. <https://doi.org/10.1007/s43621-025-01859-6>

Umanath, M., Paramasivam, R., Ambika, S., & Saravanakumar, V. (2025). Role of agricultural credit in enhancement of paddy productivity and farm income in India. *Agricultural Economics Research Review*, 38(1), 81–91. <https://doi.org/10.1177/09713441251389666>

Umanath, M., Paramasivam, R., Karthick, V., Jafar, K., & Hafsal, K. (2025). Does access to agricultural credit affect the performance of sugarcane production in India. *Cureus Journal of Business and Economics*. <https://doi.org/10.7759/s44404-024-02877-9>

ARTICLES IN NEWSPAPERS

Subbarao, D. (2026, January 27). Letter to Finance Minister. *The Times of India*. <https://timesofindia.indiatimes.com/blogs/toi-edit-page/letter-to-finance-minister/>

Suresh Babu, M. (2025, December 31). Competitive markets are a must: India should beware the rise of duopolies across its economy. *Live Mint*. <https://www.livemint.com/opinion/online-views/competitive-markets-india-watch-out-duopoly-monopoly-economy-telecom-quick-delivery-consumer-welfare-innovation-11767070904955.html>

INSTITUTE

Of Conversations, Care and Becoming: Reflections by Mentees of Prof. Ajit Menon (Mentorship Musings). MIDS.

Tamilnadu Economy in News—TEN (Vol. 2 Issue 11), November 2025. MIDS. https://www.mids.ac.in/assets/doc/TEN_Vol_2-11.pdf

PUBLICATIONS

INTERVIEWS

Susithra, M., & Venkatachalapathy, A. R. (2026, January 23). பெண்கள் கட்டுரை எழுதவும் வரவேண்டும். *Hindu Tamil Thisai*. <https://www.hindutamil.in/news/opinion/columns/exclusive-interview-with-professor-a-r-venkatachalapathy>

STUDENTS

Yukesh, S. (2026, January 4). Winter blooms that keep the Nilgiris alive. *The Hindu*. <https://www.thehindu.com/opinion/open-page/winter-blooms-that-keep-the-nilgiris-alive/article70468833.ece>

ACADEMIC EVENTS

22 January 2026, **Public Talk**, Caste and Space in Indian Cities, by Vamsi Vakulabharanam, University of Massachusetts

29 January 2026, **Seminar**, From Classroom to Cropland: An Economist's Return to the Soil, by L Venkatachalam

30 January 2026, **Dialogues of Honour**: A Farewell Tribute to Professor Ajit Menon

UPCOMING EVENTS

7 February 2026, one-day **Online Workshop** on Statistical and Multivariate Analysis Using Jamovi: An Open Source Software, as part of MIDS Development Analytics

11 February 2026, **Seminar**: Trust—Arranged Marriage or Love Match, Planned or Unavailable? by Thomas Müller, Julius Maximilian University of Würzburg, Germany

18 February 2026, one-day **Workshop** on Monitoring and Evaluation for Projects, organized as part of NITI Aayog's Lead Knowledge Institution Programme.

26 February 2026, **Development Dialogues**, a new episode with Professor M Vijaybaskar

Contact & Connect

mids
Institute of
spis
Development
Studies

The Director
Madras Institute of Development Studies (MIDS)
79, Second Main Road, Gandhi Nagar
Adyar, Chennai 600020
Ph: 044-2441 8614 / +91-9150944460
Web: www.mids.ac.in
Email: director@mids.ac.in