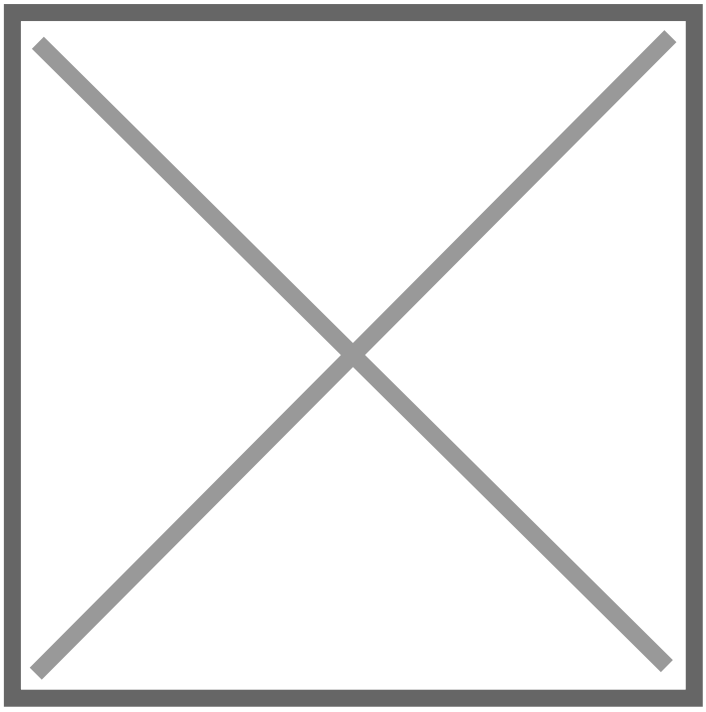
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Ã¢â?¬Å?Being competitive is very important for survivalÃ¢â?¬?

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“Being competitive is very important for survival”

—Dr Raju Barwale, managing director, Mahyco, Aurangabad

Dr Raju Barwale has been in the seed business for over thirty years. He is credited for revamping the company’s management structure to get a competitive edge in the industry. In a tete-a-tete with BioSpectrum, the media-shy Dr Raju Barwale shares Mahyco’s achievements over the years, gives his perspective on the development in seed industry, government policy initiatives and the latest development in Bt brinjal.

Can you elaborate on some of the major achievements of Mahyco in the past one year?

Achievements of Mahyco in 2008-2009 were from the management side. An old organization like Mahyco has to face a lot of challenges and we are initiating the first phase of change to equip ourself to face the future. We looked at an organizational structure to support our plans and strategies. For that we have to find more resources because irrespective of the size of the organization, resources are always limited. Being competitive is very important for the survival and growth of the company in the future. You need to change with the times. We have considered other parameters like access to technology, the kind of partnerships and collaborations to go into and the kind of relationships we need to have with such collaborations; Mahyco also tries to tap the business opportunities in neighboring countries, all these in my opinion are achievements in itself. Mahyco is now changing from an owner-driven organization to a more structural and professional managed organization. The segregation between ownership and management is one of the major achievements of Mahyco. Another milestone for Maycho was the launch of Bollgard II technology in 2008-09 and is achieving some significant volumes.

What are the major collaborations and alliances that happened in the past one year?

Biotechnology is such a field where you need to have alliances and collaborations because a company cannot be a master of everything. We have alliances with Monsanto, Cornell university, Michigan State university and Delhi University South campus. We believe in accessing technology from all over India and also overseas; and collaboration is the way forward. I think everybody in the course of time will realize that and there is an effort from universities and institutes to collaborate and even the Government of India has taken some initiatives. Mahyco has initiated some projects with the government which is still in discussion stage especially for hybrid rice licensing

How favorable have government policies been to the bioagri sector?

We are in a field which is a very delicate and the industry would like to see a balanced approach of policies. Like for example, the government has encouraged research work and in turn will provide funds, so that is a positive sign of encouragement.

On the other hand, for some reason there is a bias notion among the policy makers that seed companies are making too much of money which I feel is incorrect. We are like any other industry which is to get as much as return as possible. When companies from other industries can make profit why is that a seed company cannot make a huge profit like them? Unless and until that change in thought process does not come in the minds of policy makers, it will be difficult for the industry. One

big example is the pricing issue and it is our understanding that the pricing issue is more driven by emotions than facts. Like for instance, for the change process at Mahyco, we have been given an assessment that over a period of 10 years we have to invest around Rs 900 crore in R&D, people, facilities and so where will the money come from if this is the attitude.

What is the secret behind Mahyco's growth despite economic slowdown?

Although there was a change in terms of demand and production, recession has not affected the agriculture sector. But, as we all know, as the market changes, industry learns to adapt to that change. By and large the perception is that we have not been impacted.

What are the major developments in introducing Bt brinjal?

Bt brinjal is at various stages of the regulatory system. We have completed all our studies, we are completing additional information collation requested by regulatory authority. Now it is difficult to say the time span for commercial release. Without the help of the government we would not have come so far. There has not been a single instance where the government has refused permission for trial research and of course as far as the anti-GM lobby is concerned it is but natural for the opposition. Whenever something is introduced in the country, there will be opposition and conflict. The regulatory authority is also learning in the process.

Nayantara Som