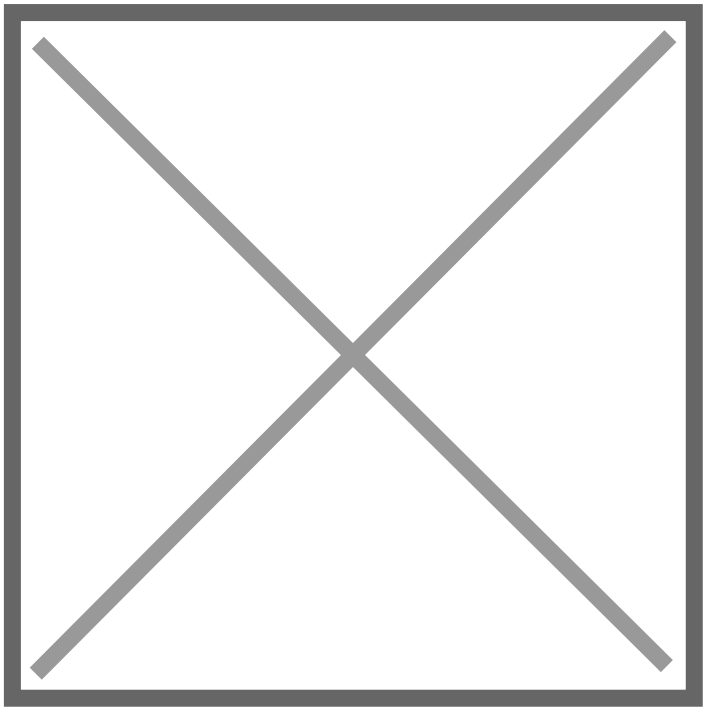
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Bioagri inching towards saturation

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BioAgri was the fastest growing biotech segment registering 23 percent growth in 2011-12. The other sectors have recorded less than 20 percent growth during the period

BtcottonThe BioAgri sector has registered a record revenue of ₹3,000 crore as compared to previous year's revenue of ₹ 2,480 crore. However, compared to last two years, the growth rate in 2011-12 was slow as this sector is inching towards saturation stage. Currently, close to 95 percent of cotton growing farmers have already adopted to the Bt technology leaving less scope of higher growth in the coming years in Bt cotton. There has been an increase in the area under Bt cotton over the last nine years. In 2010 kharif season, the area under Bt cotton was 249 lakh, acres which increased to 276 lakh acres in 2011.

Bt cotton is the only genetically modified crop approved for commercial cultivation in nine states by Genetic Engineering Appraisal Committee (GEAC). At present, 64 companies sell over 780 Bt cotton hybrid seeds in India. Of these, 60 percent are based in Maharashtra and Andra Pradesh. About 35 companies have been involved in production and sales of Bt cotton in India. Forty million packets of Bt cotton were sold during 2011-12 while the estimate for 2012-13 is 36 million packets. The reduction could be due to the fall in cotton prices and increase in the price of Bt cotton seeds. However, the Bt hybrid cotton seeds market will grow after the farmers adopt the new agronomic innovation with high density planting for higher yields.

The agricultural companies have been facing the problem of uncertainties associated with issue of no objection certificates (NOC) by state governments for carrying out field trials of genetically modified (GM) crops. During the entire season, the companies were unable to able to get permissions from the state governments in time. As a result, field trials for these GM crops have come to a standstill. However, things might improve in the coming months because of which timely testing of new technologies can bring benefits to farmers.

The companies which are seeing competition in the market saw an increase in the Bt cotton seed prices. In 2010-11, the prices for Bt cotton seeds varied from ₹750 per packet of 450 gram for bollgard I (BGI) to ₹900 for bollgard II (BGII). In Punjab, Haryana and Rajasthan, the prices of Bt cotton seeds containing BG I and BG II traits were ₹750 per packet and ₹ 920 per packet respectively. In other states, the prices of BGI and BG II cotton are ₹650 per packet and ₹750 per packet receptively. The state governments have increased the MRP to meet the challenges of seed producers' increased costs. The increase in the central and south zones was ₹180 for both BGI and BGII while in North Zone the increment was of ₹75 for BG I and ₹175 for BG II.

Although Indian government has approved six Bt cotton events for commercialization in the last 10 years, the most popular among these are MON 531 (BGI) and MON 15985 (BG II) developed by Mahyco with licensed technologies from Monsanto. The other events that got the approval include Event I developed by J K Agri Genetics with technology sourced from IIT Kharagpur; Event GFM, developed by Nath Seeds, the technology of which was sourced from a Chinese company; Event BNLA-601 jointly developed by Central Institute of Cotton Research, Nagapur and University of Agricultural Sciences,

Dharwad and finally Event MLS-9124 developed by Metahelix Life Sciences.

There has been an increase in the number of farmers cultivating cotton in 2002-03 from five million to eight million in 2011-12. Notably, the number of cotton farmers who have adopted Bt cotton has increased from 50,000 in 2002-03 to seven million in 2011-12, representing about 88 percent of the cotton growing farmers. India has reaped the benefits of Bt cotton. Now it is time to move to newer technologies which will improve yields.

Top 10 BioAgri Companies

Sl. No.	Company	Region	Revenue in ₹ Crore			%Change over		
			2011-12	2010-11	2009-10	2010-11	2009-10	2008-09
1	Nuziveedu Seeds	South	745.00	610.00	476.86	22.13	27.92	31.
2	Rasi Seeds	South	392.00	371.88	358.78	5.41	3.65	-4.
3	Ankur Seeds	West	325.00	250.00	109.50	30.00	128.31	36.
4	Mahyco	West	314.00	359.00	312.00	-12.53	15.06	47.
5	Krishidhan Seeds	West	173.80	276.13	133.23	-37.06	107.26	110.
6	Nath Seeds	West	90.00	27.49	22.10	227.39	24.39	
7	JK Agri Genetics	South	50.66	32.17	32.50	57.48	-1.02	25.
8	Mavens Biotech	North	45.55	56.12	47.51	-18.84	18.13	119.
9	Excel Industries	West	10.94	12.13	8.24	-9.81	47.21	4.
10	Metahelix	South	4.68	0.67	6.00	598.51	-88.83	-37.