

A Good Year Again for BioAgri

14 July 2006 | News



A Good Year Again for BioAgri

With over 81 percent growth, BioAgri industry is the fastest growing sector:

The BioAgri sector in 2005-06 has registered 81 percent growth over that in the previous year to record Rs 598 crore in revenues. The sector's performance has been driven by Bt Cotton. The Bt Cotton seeds business alone has generated Rs 495 crore in revenues registering close to 115 percent growth compared to that the previous year. In fact, Rasi Seeds, the second company in India to make commercially available Bt cotton, became the largest seller of Bt Cotton seeds. It clocked Rs 309.5 crore in revenues, registering over 250 percent growth. Rasi Seeds in 2004-05 reported total Bt cotton seeds sales of Rs 86.9 crore. Mahyco was the second largest contributor with Rs 117.6 crore in sales. Nuziveedu Seeds and Ankur Seeds were the other two companies that were permitted to sell Bt Cotton, with Nuziveedu Seeds ending the year at Rs 62.52 crore.

A total of 31.30 lakh packets of seeds containing 450 grams were sold. The "Bollgard" Bt cotton seeds were sold in nine states-Andhra Pradesh, Tamil Nadu, Karnataka, Gujarat, Madhya Pradesh, Maharashtra, Haryana, Punjab, and Rajasthan.

While the Bt Cotton seeds sales accounted for bulk of this market, bio pesticides, biofertilizers and markers accounted for the rest. International Panacea, Multiplex Biotech and Biotech International were the other major companies in the biopesticides and biofertilizers category. International Pancea reported sales of Rs 21.17 crore in 2005-06 compared to Rs 17 crore in 2004-05, while Multiplex Biotech's sales stood at Rs 11.7 crore.

Monsanto's technology is still the dominant Bt technology used in India. Each of the seed companies paid Monsanto Biotech about Rs 1,200 per packet as royalty and on account of this fee, Monsanto Biotech's revenues stood at Rs 391.25 crore. This figure has not been considered for the industry sizing.

Today, approvals have been given to 16 major seed companies in India i.e. Mahyco (MECH, MRC), Rasi (RCH), Ankur Seeds (Ankur), Nuziveedu Seed (NSC), JK Seeds (JKCH), Nath Seeds (NCEH), Ganga Kaveri Seeds (GK), Tulasi Seeds (Tulsi), Ajeet Seeds (ACH), Emergent Genetics (Brahma), Vikki Agrotech (VICH), Vikram Seeds (VICH), Pravardhan Seeds (PRCH), Krishidhan (KDCHH), Prabhat (PCH) and Vikram (VICH) seeds.

According to ISAAA, in 2005, six new varieties of Bt cotton hybrids were approved first time for commercial cultivation in Northern zone. In addition, eight new Bt cotton hybrids were approved for Central zone and five Bt cotton were approved for Southern zones in 2005. As a result, farmers had more choices to grow Bt cotton hybrids.

India experienced the highest proportional growth for any biotech crop globally in 2005 with Bt cotton cultivation soaring 160 percent according to ISAAA. Around 13,00,000 hectares of cotton land were planted with Bt cotton hybrids by more than one million farmers in Northern, Central and Southern cotton growing zones in 2005.

The major states growing Bt cotton in 2005 were Maharashtra (ranked first with 590,000 hectares) followed by Andhra Pradesh with 280,000 hectares, Gujarat with 150,000 hectares, Madhya Pradesh with 145,000 hectares, Northern States with 60,000 hectares, Karnataka with 30,000 hectares and Tamil Nadu with 25,000 hectares for a national total of 13,00,000 hectares.

The GEAC has approved around 38 new varieties of Bt cotton hybrids for commercial cultivation in 2006 season in addition to the 20 Bt cotton hybrids approved for sale in 2005. This brings the total of Bt cotton hybrids to 58.

Interestingly, the GEAC has also approved three new events of biotech cotton in 2006. One developed by JK Seeds Pvt Ltd containing the Cry1Ac gene known as (Event 1) sourced from IIT Kharagpur, India; Second one developed by Nath Seeds Pvt Ltd containing fusion genes (cry 1Ab and cry Ac) known as (GFM event) sourced from China and, the third developed by Mahyco containing stacked Cry X (Cry I Ac and Cry 2 Ab) genes (Event MON 15985 or BG-II) sourced from Monsanto.

Clearly, there has been a surge in the demand for Bt Cotton and now there is a pressure on Monsanto to bring down the royalty fees from Rs 1200 to Rs 750 per packet. This year would be another landmark year for Bt cotton in India.

image not found or type unknown



image not found or type unknown

