

5. Mahyco-Monsanto Biotech

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CEO: Dr MK Sharma

Cotton Maker

Mahyco-Monsanto Biotech has increased its sale of Bollgard by six fold in 2004-05

Mahyco-Monsanto Biotech (India) Ltd (MMB) continued to rule the agribiotech space by increasing its sale of Bollgard, a Bt cotton hybrid seed by six fold in 2004-05 with sales of Rs 166.4 crore registering an impressive growth of 207 percent over the previous year.

MMB had sales of Rs 166.4 crore with sale of 10.4 lakh packets of Bollgard each costing Rs 1600 (out of 13 lakh packets sold during the year) and the rest was from Salem-based Rasi Seeds. The sale of Bt cottonseeds is expected to triple during the current financial year from last year's sale of 13 lakh packets to about 40 lakh packets.

MMB - a 50:50 joint venture between Maharashtra Hybrid Seeds Corporation (Mahyco) and Monsanto India Ltd is into marketing of Bacillus Thuringiensis (Bt) cotton hybrid seeds (Bollgard) developed by Mahyco since 2002. MMB has sold 72,000 packets of the three approved Bollgard hybrids - MECH 162, MECH 12 & MECH 184 - in the first year of its launch in 2002. In 2003, the sale of Bollgard cotton increased three-fold to 230,000 packets. In 2004, Bollgard sales rose to 13 lakh packets, a six-fold increase over the previous year. About 350,000 farmers planted Bollgard in India in 2004. With each 450-gm packet required to cover an acre costing Rs 1,600 for the farmer, the total business from Bollgard would be in the range

of Rs 208 crore last year.

With a negative feed back from some parts of the country specifically from Andhra Pradesh, MMB has commissioned a study involving interviews with 3,199 farmers from 295 villages of 58 talukas and 20 districts of major cotton-growing states in the first quarter of 2005. The study conducted by IMRB reveals that the average per acre spending on pesticides by farmers across the country worked out to only Rs 275 for Bt cotton against Rs 1,412 for non-Bt cotton. And the overall average savings in spending on pesticides came to about Rs 1,200 per acre, with the number of sprays coming down from 6.24 to 1.73 on account of farmers opting for Bt cotton.

Considering the potential of Bt cotton many Indian seed companies have become sub licensees of MMB. It has sub-licensed the Bollgard II gene construct to Rasi Seeds, Ankur Seeds Pvt Ltd (Nagpur), Krishi Dhan Seeds Ltd (Jalna) and Emergent Genetics India Pvt Ltd, Hyderabad. These companies have incorporated the gene construct into their respective cotton hybrids. MMB has sub-licensing agreements for its Bollgard technology with 21 domestic seed players, including the five who have opted for the improved Bollgard II versions. Of the remaining, 10 companies are from Hyderabad. Others include Namdhari Seeds Pvt Ltd (Bangalore), Tulsi Seeds Pvt Ltd (Guntur), Ajeet Seeds Pvt Ltd (Aurangabad), Vikram Seeds Pvt Ltd (Ahmedabad), Solar Agrotech Pvt Ltd (Rajkot) and Proagro Seed Company Pvt Ltd (Delhi). Seven of the 10 seed companies based at Hyderabad led by Nuziveedu had formed a consortium-Swarna Bharat Biotechnics-to enter into an agreement with the National Botanical Research Institute (NBRI), Lucknow, for commercializing Bt cotton technology to combat the multinational dominance. But now all have become sub-licensees of MMB.

The Genetic Engineering Approval Committee finally gave green signal for cultivation of Bt cotton for the current kharif season against the wishes of the non- governmental agencies in May 2005. But Mech 162 and Mech 184 both from Mahyco failed to get the approval for cultivation in Andhra Pradesh for the current kharif season due to failure of the crop in many places in the state. Besides the first three Mahyco has received green signal from GEAC for commercial cultivation of MRC 6304 and MRC 6301 (north zone) MRC 6301 (central zone) and MRC 6322, MRC 6918 (south zone).