

Industrial Enzymes

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Industrial enzymes business has been growing in India. It was estimated to have touched Rs 375 crore with growth rate of 17 percent for the year 2005-06. Novozymes and Biocon contribute over 50 percent of the total enzymes revenue. Biocon is leading the Indian enzymes sector with Rs 85 crore (2005-06) followed by Novozymes. The other leading companies in this sector include Advanced Enzymes Technologies, Rossari Biotech, Maps India, Zytex India, Lumis Biotech and Textan Chemicals.

There are about 15 companies involved in enzymes business with few into manufacturing. The rest are into the marketing business. Although the sector has been on growth trajectory, with no regulatory issues it is still to get the attention of the entrepreneurs. The sector saw no new companies during the year. It is because of high initial cost involved in setting up the facility and also lack of skilled people with technical know how. Only handful of companies like Biocon, Advanced Enzymes, Lumis Biotech, Maps India, Textan Chemicals, Rossari Biotech have established manufacturing facilities in India. The rest are involved in the formulation and trading activities. Indian companies are manufacturing microbial enzymes but still look at importing glandular enzymes. The companies have been importing enzymes from USA, Canada and China.

The companies are now looking for newer areas like food processing, agriculture, animal nutrition, dairy, aquaculture and marine besides the conventional areas such as pharmaceuticals, textiles, breweries, chemicals, and tannery etc.

Despite the sector witnessing a growth of 17 percent, Biocon's sales from enzymes have registered a decline of 5.3 percent

during the year due to capacity constraints. The increased capacity consequent to the setting up of the new facility at Biocon Park is expected to contribute to the growth of enzymes in the coming years. Biocon develops and markets a mix of specialty and industrial enzymes for a broad range of industries. Biocon, the first enzyme company globally to receive the ISO 9001 accreditation, and India's largest producer, supplies enzymes to over 50 countries across a wide range of industry segments including healthcare, beverage, brewing, baking, fruit juice, starch & alcohol, sugar, animal health, paper & pulp, leather and detergent.

Novozymes, a multinational involved in marketing of enzymes through its distributors in India, has successfully introduced the enzymatic degumming of rice bran oil. The leading rice bran oil refining companies in India have been using the enzymatic degumming process that minimizes losses of oil, produces consistent degumming results, reduces water consumption, and is more environmentally sound. Novozymes's baking enzymes Fungamyl, Pentopan, Lipopan, Gluzyme and Novamyl used to improve western-style bread have received good response from the customers. Similarly Lumis Biotech, a flagship company of Rs 160 crore Kgenix group has launched its indigenously developed peroxide killer used for removing residual peroxide from the bleach.

Advanced Enzyme Technologies (formerly Advanced Biochemicals), another leading enzyme manufacturer, has consolidated its position during the year by increasing its sales revenue registering a growth rate of 41 percent. It is expected to increase its growth rate during the year since two of its new manufacturing facilities, one at Indore in Madhya Pradesh and other at Thane in Maharashtra, would be operational during the current financial year. Advanced has invested Rs 45 crore in these two facilities besides setting up an R&D facility.

For Advanced Enzyme, last year was a year of development. It focused on product and process developments. It successfully complied for the SKAL International Audit for Organic Certification. With this, it joined the SKAL International Program for Organic Certification for its agriculture product AgroSEB, an organic bio enzyme.

Rossari Biotech, an ISO 9001: 2000 company and manufacturer of enzymes for textile processing, has started new concept of enzymatic bio-scouring. To meet the growing demand, it imports enzymes from the US and supplies the formulations to the Indian companies. It has increased its number of customers too during 2005-06.

During 2005, Lumis Biotech received approval from GEAC to import Denimax 399S, Denimax 16000 L, Denimax Acid XCL and Aquazyme Ultra 1200 L from Novozymes, Denmark with couple of conditions for value addition and export purpose.

Considering the potential and opportunity in enzymes, few companies are expanding their manufacturing facilities so that they can also export their range of products. The government of India has also been considerate to the sector, as it has been funding many projects related to industrial enzymes. This will help the industry to growth and compete with the global players by launching new products in near future.