

Novozymes intensifies enzyme proliferation

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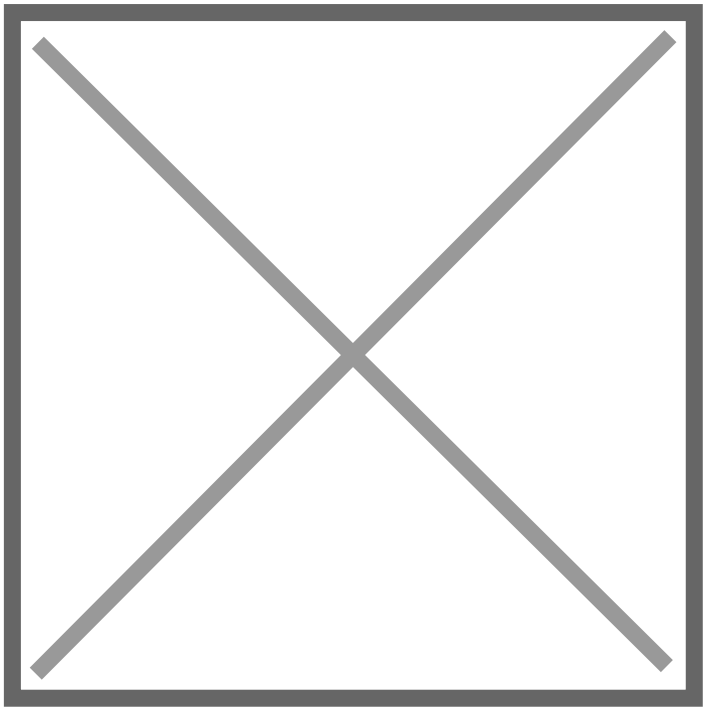

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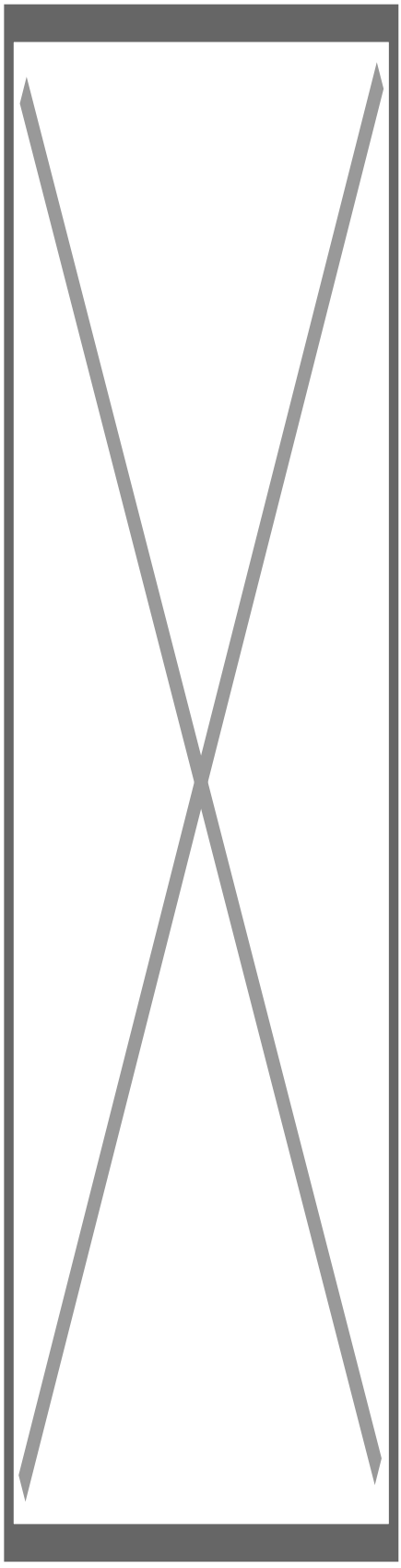
With the acquisition of Biocon's enzyme business, Novozymes South Asia has become prominent player in the industrial enzyme market and has innovative plans for future.



Bangalore-based Novozymes South Asia has registered estimated revenues of Rs 250 crore for the year 2008-09. With the acquisition of Biocon's enzyme business, the company had recorded high sales of Rs 225 crore last year. The company presently holds 65-70 percent share in the industrial enzymes market. In textiles it holds a 90 percent share followed by a number of formulators in the country and in starch again it has a 90 percent share.

Novozymes has sales offices and R&D facility across the country. Novozymes' business in Asia has grown significantly in recent years – with detergent, textile and beverage alcohol also being its target industries.

The acquisition of Biocon Limited's enzyme activities has been an important step for Novozymes in its efforts to increase sales in new markets. The acquisition has given the company a strong distribution network and good knowledge of the local market, which would have taken a long time to build. With this Novozymes has also acquired better research facilities in India, which allows the company to demonstrate its products to customers.

Novozymes has had a presence in the Indian market for a long time. The first enzyme activities were established in Bangalore in 1983. Novozymes' Indian headquarters is in the International Technology Park, but the production and repackaging facilities are at other locations in the city. With 150 employees from Biocon, the company now has about 200 employees in India. They work within research and development, sales, production, finance and IT. Novozymes has gradually increased its activities and asset base in India. Novozymes is the world's largest and most diversified provider of industrial biotechnology, pioneering the replacement of chemicals with enzymes in a broad range of industries such as laundry detergents, animal feed and the biofuel industry.

Novozymes has set up new laboratory, repacking and office facilities in Bangalore, thereby establishing R&D operations in India in a big way for the first time. The R&D unit in India will initially focus on optimizing enzyme properties, and application development. Novozymes spends about 13 percent of its turnover on R&D. And around one-tenth of its expenditure on R&D is used in new areas, in line with its strategy of building up new business areas beyond enzymes and micro organisms.

By 2010, the company aims to produce second-generation bioethanol that converts waste and agricultural residues into energy. This will be a radical development in the search for new renewable energy sources. The company's long term plan is to get closer to some of the research institutes in developing certain applications relevant to the local market. In this contexy, t-he company is watching biofuels and biodiesel areas very closely.