

Waiting for the rebound

05 August 2008 | News



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Alfa Laval is all geared up for the biotech boom by focusing on the separators and fermentation market.

Alfa Laval India caters to the life sciences industry with a product portfolio ranging from centrifugal separators, membrane filtration systems, plate heat exchangers, pumps, valves and fluid handling equipment. Alfa Laval India was the first company to bring in the single fermenter technology in the late 1980s.

The company clocked an estimated sales of Rs 20.5 crore from sales to the life sciences industry, as against Rs 30 crore in 2006-2007. Nish Patel, managing director, Alfa Laval India, said, "The company has made an investment of Rs 50 crore last year to increase its capacity and has budgeted an additional investment of Rs 40 crore for the current financial year." The expansion has mainly been on the manufacturing front. Alfa Laval has increased its capacity by 30 percent. "Back in 2005, we had a huge expansion of the plant which took care of around 100 machines and in 2007 it rose to around 700. We are in the midst of our expansion of sanitary flow so the growth number for that is 40 percent. We have also introduced new products last year, which we hope will increase our sales," added Patel. Separators have been a major product line across the world, but in India, fermentors and stem culture separators have been a major growth area for it. To cater to this market, Alfa Laval is at present going through the GMP standards. Its clients include Wockhardt, Nicholas Piramal, Biocon, Sterling Biotech, and Reliance Life Sciences. Another area of growth for the company was primary contractors.

With 18 branches across India, Alfa Laval now has a strategy to focus on introducing more GMP manufacturing units. Earlier, Alfa Laval was awarded the GMU status by its Swedish unit to manufacture centrifugal separators and decanter centrifuges for exports to Alfa Laval, Sweden. It also received the ISO 900:2000 certification from Lloyds Register Quality Assurance, UK for its manufacturing services. Surprisingly, this year the company is not looking at any such partnerships and alliances.

Also last year, the company launched heat exchangers. This product line is pitched to be a major growth area for the company in the current fiscal. While Alfa Laval is understood to have a huge market share of 70-75 percent in heat exchangers, its sanitary business' share is close to 40 percent. "Our counterparts in the global business claim that apart from Europe and the US, India is one the major markets and growth can emanate only from here because Indian companies have already started to gear up for the biotech boom," added Patel.