

## A fast clip growth for BioAgri

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- Agri biotech grew at 37% in FY 2009-10
- There are over 30 companies marketing Bt cotton seeds in India
- The segment will grow at an average of 26% in the next 5 years

Agri biotech is the third largest contributor to Indian biotech industry in FY 2009-2010 with a total segment turnover of Rs 1,936 crore, accounting for almost 14 percent of the total biotech revenues. Registering a growth of 37 percent over last year, BioAgri emerged the industry's fastest growing segment. The fact that BioServices segment dominated by exports faced minor setbacks on account of currency fluctuations helped BioAgri gain lead. In FY 2008-09 BioServices with a growth of 31 percent was the fastest growing industry segment.

India is the fourth largest country in the world with almost 8.4 million hectares of area under Bt cotton. On one side the area under Bt cotton has been on increasing, on the other side the prices for Bt seeds packets has been slightly on decline. This decline is because of government's intervention and more companies launching different technologies for producing Bt seeds.

The number of companies selling Bt cotton seeds in India has increased dramatically over the last eight years since the first commercialization in 2002. Today, there are over 30 companies marketing Bt cotton seeds in the country.

Nuziveedu Seeds is the largest seller of Bt cotton seeds. The company sold 70 lakh packets generating Rs 476.86 crore in revenues. Rasi Seeds is the second largest contributor with Rs 358.78 crore in sales. Nuziveedu has 25 percent of the

market share while Rasi Seeds is close second with 19 percent market share. Other significant players include Ajeet Seeds, Ankur Seeds selling 12-20 lakh packets each in FY 2009-10.

Region	Production
North	600 kg per hectare
West	516 kg per hectare
Central	472 kg per hectare
South	595 kg per hectare

A total of 280 lakh packets of seeds containing 450 grams were sold in 2009, approximately 87 percent being Bollgard II and 13 percent bollgard I. An additional 20 lakh packets of spurious seeds were estimated to have been sold illegally to the farmers mainly in Gujarat state. While in most of the regions, the Bollgard I and Bollgard II cotton seeds were priced at Rs 650 and Rs 750 respectively. In North (mainly Punjab, Haryana and Rajasthan), the price was kept at Rs 759 for Bollgard I and Rs 925 for Bollgard II.

The "Bollgard" Bt cotton seeds were sold in nine states-Andhra Pradesh, Tamil Nadu, Karnataka, Gujarat, Madhya Pradesh, Maharashtra, Haryana, Punjab, and Rajasthan. Maharashtra leads as the largest selling state with almost 90 lakh packets sold in the region followed by the South (75 lakh packets) and North (45 lakh packets). The northern market is mainly held by Shriram Bioseeds.

A region wise split shows that the Northern region of India recorded maximum production of Bt cotton.

An important event of 2009 was the approval of MLS 9124, developed indigenously by Metahelix Life Sciences. The product has a synthetic cry 1C gene. The other development was the release of two cotton hybrids namely MH 5124 and MH 5174 expressing the synthetic cry 1C gene (MLS 9124). ?

Notes: \*Monsanto royalty has not been taken into account as segment revenue

### Top 10 Agri Companies by Revenue (2009-10)

Rank 2010	Company	2009-10 (Revenue in Rs Cr)	2008-09 (Revenue in Rs Cr)	% Change Over 2008-09
1	Nuziveedu Seeds	476.86	449.58	6.07
2	Rasi Seeds	358.78	375.59	-4.48
3	Mahyco	312	211.12	47.78
4	Monsanto*	255	345.00	-26.09
5	Krishidhan Seeds	133.23	63.25	110.64
6	Ankur Seeds	109.5	80.35	36.28
7	Ajeet Seeds*	103	-	-
8	Nath Seeds	85	48.50	75.26
9	JK Agrigenetics*	35	26.00	34.62
10	Bayer CropScience*	22.5	-	-
* BioSpectrum estimates		All figures in Rs. Crore unless indicated otherwise		

### BioIndustrial to grow over 15% for next 5 years

• BioIndustrial grew 16% in FY 2009-10

• 70% of the industrial enzyme domestic demand is imported

The BioIndustrial market mainly comprising industrial enzymes is estimated to be Rs 564 crore in the year 2009-10 as against Rs 478 crore in 2008-09. The segment grew 16 percent in FY 2009-10. Though the overall enzyme consumption figures of India are comparatively low with respect to other countries and 60-70 percent of domestic demand is imported, the segment on an average has been growing over 15 percent in the last five years.

In India, the industrial enzyme consumption is predominantly in the detergents market (40 percent), followed by the starch market (25 percent) . The other important segments are food and feed, textiles, leather, pulp and paper. In recent years, enzymes have found numerous applications in the food, pharmaceutical, diagnostic and chemical processing industries. The trend for their application in almost every sector is on increase.

The leading players in this segment include Novozymes which has over 50 percent market share followed by Advanced

Enzyme Technologies holding 25-30 percent market share. Other important players are Maps, Genecor, Lumis and Kerry Biosciences. Besides, a new entrant Anthem Cellutions, a part of Anthem Biosciences group has gained significant market share over a short period of time.

Apart from focusing on the local market, companies like Advanced Enzyme Technologies are looking at other markets such as China. Considering the potential opportunity in the other markets Advanced Enzyme has registered good growth in its export sales.

The Indian companies are reporting a good growth, a lot of R&D is happening in these companies and new applications are being explored. Indian companies are looking at technologies from Europe, China and Australia.

However, with respect to global enzyme industry India still needs to do a lot of catching up.

### Top 3 BioIndustrial Companies by Revenue (2009-10)

Rank 2010	Company	2009-10 (Revenue in Rs Cr)	2008-09 (Revenue in Rs Cr)	% Change Over 2008-09
1	Novozymes South Asia*	268	250.00	7.2
2	Advanced Enzymes	121	88.60	36.57
*BioSpectrum estimates		All figures in Rs. Crore unless indicated otherwise		

### Bioinformatics grows at sluggish pace

â€¢ Segment grows at 5%

â€¢ Domestic market contributes 68% of Bioinformatics revenue

The smallest segment of the Industry, Bioinformatics which has just about 2 percent segment share in the overall industry, has been sluggish in FY 2009-10. It registered a 5 percent growth over 2008-09, clocking Rs 231 crore in revenues last year as compared to Rs 220 crore in FY 2008-09, when it recorded a growth of 16 percent.

The pure-play Bioinformatics companies in India include Strand Genomics, Ocimum Biosolutions, SysArris, CytoGenomics and Molecular Connections. These companies have come out with products that cater mainly to the needs of the pharmaceutical and biotechnology companies. Most of these companies are small and medium enterprises based at locations such as Bangalore, Hyderabad, Pune.

### Top 3 Bioinformatics Companies by Revenue (2009-10)

Rank 2010	Company	2009-10 (Revenue in Rs Cr)	2008-09 (Revenue in Rs Cr)	% Change Over 2008-09
1	Ocimum Biosolutions	41.4	47.57	-12.97
2	Strand Life Sciences	35	35.00	0
*All figures in Rs. Crore unless indicated otherwise				