

# IIL, Japanese firm tie up to develop molecules

**fe Bureau**

**New Delhi, March 18:** In a first, a domestic company has tied up with a Japanese agro-chemical major to set up a research facility in India for developing new molecules, reflecting the sector's immense potential long stifled by government control.

Insecticides India has formed a joint venture with Japan's Otsuka AgriTechno to devise new molecules for making products to be sold in India as well as abroad. The R&D facility, which is being set up in Bhiwadi in Rajasthan where IIL already has a unit, will start operations around Diwali, IIL managing director Rajesh Aggarwal said.

"IIL has a 20% stake and Otsuka has a 80% stake in the joint venture. Rights over royalty for any new molecule produced in the facility will remain with the JV, and not any individual company. IIL will have rights to sell the products in some markets, while the rest will be with Otsuka," Aggarwal said. A small team will start working for this purpose from April 15 until the new facility is ready.

Currently, many agro-chemical companies are making products by either using molecules invented outside India or tying up with foreign firms to use patented technology for manufacturing fresh items.