

Avesthagen floats joint venture with Chilean company

To develop bioactives for commercial applications

Our Bureau

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Avesthagen has set up Avesthagen Latam SpA in joint venture with a Chilean-based biotech company, Uxmal S.A., to promote research and development of bioactives for commercialisation.

The new company will be based at Santiago in Chile and Avesthagen will hold 75 per cent of the company.

Addressing a press conference, Dr Viloo Morawala Patell, Chairman and Managing Director, Avesthagen, said the joint venture would develop and commercialise functional foods based on bioactives developed by Avesthagen and from Latin American medici-

nal plants. The objective would be to develop bioactives and tissue culture of a specific plant species for commercial applications and production of bioactives globally, she said.

INVESTMENT

About \$6 million (around Rs 30 crore) investment is expected to be made in the joint venture in the next five to six years.

In the first year, about \$3.6 million (about Rs 17 crore) would be invested in infrastructure, of which 40 per cent will be funded by the Chilean Government and the rest will be shared by both the partners.

Mr Manuel Gidekel, Ma-

ning Director, Uxmal S.A., said with this alliance, the company expects to scale up research and development in agro-biotechnology, nutraceuticals, nutritional food and commercialise technology development in various markets.

Dr Patell said the company had faced difficulty in funding. The company had planned to tap the capital market in November 2008, which did not happen. Avesthagen needed about Rs 600 crore in November.

"We have arranged for the funding. Early research is funded by the government; and R&D and operational expenses are met by bank funding," she said.

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Avesthagen ties up with Chilean firm

Avesthagen Ltd, a leading Indian biotechnology firm, has entered into a strategic alliance with Uxmal SA, a Chilean biotechnology firm for promoting research and development of bioactives for commercialisation and use in products like functional foods and healthcare.

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In brief

Avesthagen in JV with Chilean bio-tech firm

Chennai: Biology platform company Avesthagen Ltd., has entered into a strategic alliance with Chilean bio-tech firm Uxmal SA. The new entity, Avesthagen Latam SpA, will promote research and development of bio-actives with Uxmal undertaking technology transfer. An Antarctica plant 'deschampsia' will be used to develop dermal applications and cure for cancer. The research would also be commercialized and uses in functional foods, healthcare and cosmetics, the segment in which Avesthagen operates. — ENDS