

MOU Signing

VST Tillers Tractors Ltd., India

And

ZETOR TRACTORS a.s., Czech Republic

Bangalore, January 24, 2020: VST Tillers Tractors Limited, pioneers in manufacturing of power tillers, compacttractors, engines, transmission, power reaper and precision components over five decades and having manufacturing facilities in Hosur, Maluru and Mysuru and corporate office at Bangalore has entered in to a

Memorandum of Understanding

with

ZETOR TRACTORS a.s. from Czech Republic manufacturers of tractors, components, engines and transmission over seven decades and having the registered office at Brno, Czech Republic.

These players with over 120 Years of combined experience agreed up on the joint product development, manufacturing and business plan for tractors with a horsepower greater than 36 HP for India and global markets. The key aspects of the MOU are as follows:

1. Joint development of Products.
2. Manufacturing of tractors by VST at its new high horsepower manufacturing facility.
3. Marketing of the jointly developed product in both the Indian and global markets through a JV between VST Tillers Tractors Ltd. and ZETOR TRACTORS a.s. The jointly developed products would be sold through VST channel partners in India and Zetor channel partners in the international market.
4. Explore Sale of VST products through channel in the global market.

VST Tillers Tractors Ltd. Chairman Mr. V.K Surendra informed that VST has always strived to get the best technology for the Indian farmers while VST remains a leader in the compact tractor segment and the power tiller segment; this MOU would enable VST to bring better technology in the higher horse power segment for the benefit of Indian farmers.

Mr. Martin Blaškovič, Chairman, ZETOR TRACTORS a.s. on the occasion of signing of the MOU said that this MOU would explore the strengths of both parties in product development and marketing and the JV will work towards offering the products and solutions to both India and International market keeping customer requirement first.

Mr. Antony Cherukara, CEO, VST Tillers Tractors Ltd. said that VST tractors is a household name in compact tractor segment in domestic market being first to launch the 4WD tractors in Indian Market. VST Tractors are also marketed as "Field trac Brand" in various markets of European union meeting the latest EU standards and expanded its presence over more than 20 countries. This MOU will help VST further expand its portfolio in the international market.

Mr. Robert Harman, MD, Zetor India, said that India is a major focus market for ZETOR TRACTORS a.s. and Zetor already has a long history in India with their earlier collaboration with erstwhile HMT Ltd and products like HMT 5911 was very popular in India. Zetor Tractors currently exports to more than 56 countries and has a customer base of 1.3 million globally.

About the companies:

VST Tillers Tractors Ltd.: VST Tillers Tractors Ltd. was established in the year 1967 by the VST Group of companies, a well-known century old business house in South India. The founder of the group was Sri.V.S.Thiruvengadaswamy Mudaliar who started with humble beginnings under the VST & Sons banner in the year 1911. The company is now the largest manufacturer of Power Tillers in India.

ZETOR TRACTORS a.s.: ZETOR TRACTORS a.s. established in 1946, is engaged in manufacturing tractors with -125 Mn EUR sales in 2017 and -80% exports; 1 mfg. plant in Czech Republic and 7 sales subsidiaries outside Czech Republic. Zetor was the earlier JV partner for HMT and they used to produce the popular higher HP models in India namely 5911, 4511 etc.