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Press Release **For Immediate Dissemination**

Mahindra's Agri Division enters into a Joint Venture with Holland based company, HZPC

- **Mahindra Agribusiness & HZPC create a 60:40 JV**
- **HZPC is one of the leading players in Seed Potato in the world**
- **To enhance farmer prosperity by increasing productivity and better price realization**
- **To offer best quality seed potatoes to farmers in India and overseas**

Chandigarh, India April 23, 2014: The Agri division of Mahindra & Mahindra Ltd, part of the USD 16.7 billion Mahindra Group, today signed a joint venture agreement with HZPC, Holland, one of the leading innovative companies in the world in potato breeding, seed potato growing and seed potato trading to offer the best quality seed potatoes to farmers within and outside India. The joint venture will have Mahindra and HZPC holding 60 and 40 percent equity respectively in the company, subject to the parties receiving all applicable approvals.

Speaking on the occasion, **Ashok Sharma, Chief Executive, Agri & Allied Businesses, Mahindra & Mahindra Ltd.** said. "To further grow this business, we will require special technology and will also need to put in some investments in the supply chain. It is therefore a matter of great pride for us that we have signed this JV with HZPC Holland being one of the leading and the most advanced Seed Potato companies in the world. Not only will this help in our quest for delivering farmer prosperity through agronomy and better technology but will also open up global markets, thus providing our farmers with better returns".

According to **Mr. Gerard Backx, CEO, HZPC**, "We are honored to associate with Mahindra's Agri business division. We feel confident that this JV will help us provide high quality seeds and new varieties to the seed potato growers in India and also open up export avenues for them. HZPC is a farmers' company with its majority equity held by farmers. We have already sent 19 latest varieties from Europe for testing in India and are sure that some of them will go a long way in enhancing farmer productivity in the country".

Mr. Vikram Puri, Vice President, Agribusiness, Mahindra & Mahindra Ltd was also present at the signing ceremony.

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The joint venture will benefit from the expertise of both companies where HZPC with their strong R&D focus will bring in access to latest technology, new varieties and open up global markets for the Indian farmers. Mahindra will contribute through their strong farmer connect, wide spread domestic distribution and agronomy expertise. The new company will construct a state of the art facility to produce Tissue culture plants and Mini-tubers. The aim of the facility is to offer high quality mini-tubers and early generation seed potatoes to the farmers.

Mahindra started its Seed Potato business in the year 2005 with the vision of helping the seed potato growers in Punjab increase their productivity and realize better returns for their seeds. Today, the company works closely with over 600 seed potato growers through contract farming arrangements. Their strong agronomy interventions have helped farmers increase their productivity and quality of produce. The company supplies farmers with high quality mini-tubers which are produced at their facility in Palampur (HP). The seeds are bought back from the farmers at a minimum guaranteed price and are further distributed through a well spread out network to potato growers in Uttar Pradesh, Madhya Pradesh, Gujarat, Maharashtra & West Bengal.

The total Potato market in India is estimated to be around 43 million tones, and approximately 10% of this is used as seeds by farmers. Thus the potential of seed potato market is more than 4 million tones, of which only 0.25 million tones is currently organized. While the organized sector is growing at a CAGR of 15% to 17%, the overall seed potato industry is expected to grow by around 6% CAGR.

With such a huge market potential and few organized players in this space, this JV has a huge potential to revolutionalise the seed potato production in India.

About HZPC:HZPC Holland is one of the most innovative world players in potato breeding, seed potato growing and trading. HZPC breeders develop potato varieties that optimally match with local climate and soil conditions. And together with HZPC potato growers can dynamically meet demands in their markets and segments such as with potato processing industries, retailers and consumers. HZPC is a farmer oriented world player with 250 fellow-workers in over 10 countries and is owned by the majority of its 800 international seed potato growers and co-workers. HZPC has a turnover of almost 300 million Euro and has been in existence for over a 100 years. HZPC varieties and seed potatoes are aimed at ensuring potato growers across the world grow, develop and operate in an environmentally sustainable way.

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About Mahindra Agribusiness:

Mahindra Agri Business Division was established in the year 2010, with the vision of delivering Farmer Prosperity by offering a complete integrated solution to the farmers. The division constitutes of M&M Ltd.'s Agri input businesses like Seeds, Crop Care & Seed Potato. Mahindra Shubhlabh Services Ltd., a 100% subsidiary of M&M Ltd. is in the fresh fruits business and is the No. 1 exporter of table grapes from India. EPC Industries Ltd. is the Micro Irrigation business that offers drip, sprinkler, pumps and green house solutions. Through a well distributed Samriddhi center network that offers soil testing, agronomy and other services, the business aims to be a one stop shop solution for all farmer needs.

About Mahindra

The Mahindra Group focuses on enabling people to rise through solutions that power mobility, drive rural prosperity, enhance urban lifestyles and increase business efficiency.

A USD 16.7 billion multinational group based in Mumbai, India, Mahindra employs more than 180,000 people in over 100 countries. Mahindra operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, information technology and vacation ownership. In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, financial services, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two wheeler industries.

In 2012, Mahindra featured on the Forbes Global 2000 list, a listing of the biggest and most powerful listed companies in the world. In 2013, the Mahindra Group received the Financial Times 'Boldness in Business' Award in the 'Emerging Markets' category.

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