



V.S.T. TILLERS TRACTORS LIMITED

Regd. Office : Plot No. 1, Dyavasandra Indl. Layout, Whitefield Road, Mahadevapura Post,
Bangalore - 560 048. Karnataka Ph : 91-80-67141111 Fax : 91-80-28510221
email : vstgen@vsttillers.com www.vsttillers.com | CIN-L34101KA1967PLC001706
16/03/2016



REF: VTTL/SEC/SE/2016

The General Manager - Listing,
National Stock Exchange of India Ltd
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (E), MUMBAI - 400 051
Fax No - 022 - 26598237/38

The Manager Listing,
Bombay Stock Exchange Ltd.,
Floor 25, P.J. Towers,
Dalal Street,
MUMBAI - 400 001
PH: 022-22721234

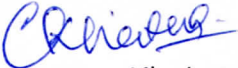
Dear Sirs,

Sub: Press Release

With reference to the above subject, we are enclosing herewith the Press Release with regard to entering an Agreement with Government of Karnataka for establishment of Custom Hire & Service Centres.

Thanking you,

Yours truly,
for VST Tillers Tractors Ltd,


Chinmaya Khatua
Company Secretary



Encl : a.a.

Manufacturing & Marketing : Power Tillers, Tractors & Diesel Engines
Marketing : Rice Transplanters & Reapers





V.S.T. TILLERS TRACTORS LIMITED

Regd. Office : Plot No. 1, Dyavasandra Indl. Layout, Whitefield Road, Mahadevapura Post,
Bangalore – 560 048. Karnataka Ph : 91-80-67141111 Fax : 91-80-28510221
email : vstgen@vsttillers.com www.vsttillers.com | CIN-L34101KA1967PLC001706



PRESS RELEASE

VST TILLERS TRACTORS LTD SIGNS MOU WITH KARNATAKA GOVERNMENT

Novel scheme to revolutionise farm mechanisation in Karnataka Bangalore based company VST Tillers Tractors Ltd has entered into an agreement with the Karnataka Government for establishment of 92 Custom Hire Service Centres (CHSC) in nine districts. According to Mr B.C.S.Iyengar Director corporate strategy ,the scheme which is the brain child of Agriculture Minister Sri Krishna Byregowda will be a boon to small farmers and will revolutionise farm mechanization in Karnataka.

In its bid to reach out to the farmers of Karnataka, many of whom can ill-afford farm machinery, VST Tillers Tractors has come out with a novel scheme which has features that will help the small and marginal farming community to have sustainable agriculture production. This novel scheme can be scaled up to the entire state and also the country as it needs effective planning, based on farming needs locally.

Iyengar of VST Tillers Tractors said 'In India, small and marginal farmers who account for over 70 per cent of the farming community cannot afford to buy costly machines and farming equipment. In order to reach the benefits of farm mechanisation to the small and marginal farmers, the backbone of Indian agriculture, the government in association with VST Tillers Tractors is setting up 92 CHSC which will provide farm machinery at affordable rental rates."

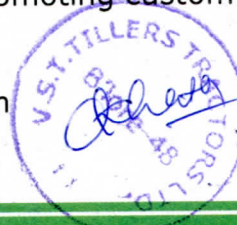
The Agriculture Minister has said that Karnataka is giving priority to mechanisation as it is the only way to increase agricultural production and efficiencies in agriculture. With farm labour becoming scarce, it is imperative to have farm mechanisation for quick returns. The State, along with the Centre, has been pursuing the objective of farm mechanisation through various schemes of providing subsidy to farmers for purchase of agricultural machinery. But this is a novel scheme that should benefit the large section of farming community.

During 2014-15 the State Government gave 75 per cent subsidy to Societies and NGO'S for the establishment of 175 CHSCs. This year it has planned to establish over 300 centres and for that purpose the government has extended to organizations and farm machinery manufacturers. Each centre will have acap of Rs 50 lakhs that should be used to shelf various agriculture machinery and equipment that are required by the farmers in that region .The hiring and service charges will be determined by the committee constituted for the purpose after taking into consideration farmer's affordability and economic feasibility of the CHSC. In the first year of operation, the subsidy will be 75 per cent and will be reduced to 50 per cent in the second year.

VST Tillers Tractors, largest manufacturers of power tillers and the pioneer in compact tractors in India has a range of products that includes rice transplanters and self propelled reapers that are very much in use by the small farmers . The company has vast experience in farm mechanization programmes and has successful associations in Kerala, Odisha, Maharashtra etc in promoting custom hire solution to farmers.

For more information please visit: www.vsttillers.com

Manufacturing & Marketing : Power Tillers, Tractors & Diesel Engines
Marketing : Rice Transplanters & Reapers



A VST GROUP
ENTERPRISE