

Avesthagen brings French seeds giant Limagrain on board Atash Seeds in an IP – based deal

The announcement was made in presence of Her Excellency - Mrs. Anne-Marie Idrac,
Minister for Foreign Trade, Republic of France

Hyderabad, October 29, 2009:

AVESTHAGEN LIMITED today in the presence of **Her Excellency - Mrs. Anne-Marie Idrac, Minister for Foreign Trade, Republic of France** announced the formation of a joint venture company (JV) “Atash Seeds Private Limited” with Limagrain, a French international cooperative group. The new entity based in Hyderabad will be headed by an International CEO from Limagrain and Dr. Villoo Morawala-Patell will be Chairperson of the company.

Speaking on the occasion Dr Villoo Morawala Patell, CMD Avesthagen said that, “Atash Seeds will be the first Indian

biotech company to work towards jointly contributing to the Indian and French agricultural sectors. This collaboration will strengthen Indo French ties by bringing together cutting edge Indian biotechnology IP with Limagrain’s global expertise that will contribute significantly to the Indian and international agricultural market in the years to come.”

Avesthagen expects Atash to generate at least \$ 100 million per annum in 5 years for which it will need to invest \$ 30 to 40 million in the next 3 years. According to terms of the JV agreement, besides Atash Seeds, Limagrain has also entered into an exclusive worldwide licensing arrangement for developing and marketing genetically modified seeds eg maize, wheat, barley, rice, sunflower based on Avesthagen’s EAC technologies. Avesthagen will license its patented technologies to Atash Seeds to develop, produce and market seeds nationally and internationally by leveraging Limagrain’s domain expertise, knowledge and marketing strengths.

Dr. Villoo Morawala-Patell, further added that, “Considering that the arable land is unlikely to increase, the emphasis has to be on technologies that enhance productivity under stressed conditions like drought and salinity. With the changing global dynamics and the need for making sure that the fruits of our research reach a larger global audience, the deal with Limagrain makes Avesthagen’s Intellectual Property reach the average consumer and bring the huge potential market



Mrs. Anne-Marie Idrac, Minister for Foreign Trade, Republic of France felicitating Dr. Villoo Morawala-Patell for announcing the JV with Limagrain

that is waiting for such innovation to Indian shores and add to its economy. Atash Seeds will grow in geometric progression”.

Atash Seeds Private Limited will lead the effort to promote biotech driven, gene based novel seed technologies designed to address needs of the farmers of India and other emerging markets. The company will sell hybrids and Environment Adjusted Crops (non-GMOs and GMOs) for field crops such as rice, wheat and maize and other cereals. Atash Seeds is committed to production of quality seeds, help grow environmentally adjusted crops and consequently lead to increased productivity and profitability. The agri-biotechnology industry and the farmers of the country will see new seed varieties that will address their needs of combating drought, salinity and better quality.

The JV brings together strong expertise of Limagrain research and global marketing strengths combined with licensing of Avesthagen’s EAC (Environment Adjusted Crops™) patents and technologies to build a strong agri-biotech business model for Field Crops.

The Indian Seeds Market is about Rs 5000 crores and is expected to grow at an above average rate due to increased adoption of hybrids in Rice and other crops as well as introduction of GM products. In 2008, the international seeds market was estimated by the International Seeds Federation (ISF) at \$ 36.5 Billion of which approximately \$ 6 billion was traded internationally

About Avesthagen Limited

AVESTHAGEN LIMITED (www.avesthagen.com) is India’s leading integrated systems biology platform company that focuses on achieving convergence of food, pharma and population genetics leading to predictive preventive and personalized healthcare. It employs 400 people worldwide and is headquartered in Bangalore. Avesthagen Limited has established world class, state-of-the-art laboratory facilities in Bangalore. It began business operations in 2001. Since its inception Avesthagen has grown into one of India's, leading healthcare biotech companies in addition to its agri-biotechnologies product pipeline, development of clinically validated botanical bioActives, derived from Indian medicinal plants, as well as the development of a pipeline of bio-similar drugs.

Avesthagen Limited has four strategic business units: bioPharmaceuticals, bioNutrition, bioAgriculture and Science & Innovation. Its partners include multiple top 10 global companies in each of its fields of research. Avesthagen Limited collaborates at every stage in the value chain with appropriate partners, both public and private, for access to and exchange of technology and overall commercial expertise to leverage the ‘India advantage’.

Recently, AVESTHAGEN Limited announced that it plans to raise approximately Rs 600-700 crores from the domestic and international markets through an initial public offering. The funding will be used to commercialize 40 products that are in various stages of development. AVESTHAGEN is expected to touch a turnover of Rs 100 crores this fiscal

The Company, which currently holds 560 patent applications will be valued based on its patent and product portfolios. After the initial public offering AVESTHAGEN will hold on to the promoter, Dr. Viloo Morawala-Patell’s stake, while PE investors including ICICI Ventures, Fidelity and New York Life Investment Management India Fund and strategic investors, TATA Industries, Godrej Industries, Meditab Specialities, Danone, Limagrain and bioMerieux will continue to be strategic shareholders.

About Limagrain

Limagrain is an international cooperative group, specialized in seeds and cereal products. It conducts its business within the framework of a global, sustainable vision of agriculture. Limagrain bases its development

on two key components, innovation and the regulation of agricultural markets. The Group has strong competitive positions: No. 1 seeds company in Europe and No. 4 in the world through Vilmorin & Cie, European leader for functional flours through Limagrain Céréales Ingrédients and 2nd largest French industrial baker through Jacquet.

For any further information: www.limagrain.com

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