

Mahindra & Mahindra Ltd.

Mahindra Towers,
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REF:NS:SEC:

7th July, 2022

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001.

Bourse de Luxembourg
Societe de la Bourse de Luxembourg
Societe Anonyme/R.C.B. 6222,
B.P. 165, L-2011 Luxembourg.

London Stock Exchange Plc
10 Paternoster Square
London EC4M 7LS.

- Sub: Intimation under Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 -**
- **Sale/Transfer/Hiving off of identified assets relating to the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company to a new EV company to be incorporated as a wholly owned subsidiary of the Company ('EVCo'); and**
 - **Securities Subscription Agreement and Shareholders' Agreement between the Company and British International Investment Plc ('BII') setting out the terms and conditions of the Proposed Investment in EVCo**

Dear Sirs,

With reference to the captioned subject, we would like to inform you that the Board of Directors of the Company has today *inter alia* approved:

- a) Incorporation of a wholly owned subsidiary of the Company ('EVCo') to undertake the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company.
- b) Sale/Transfer/Hiving off of identified assets relating to the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company to EVCo; and
- c) Execution of a Securities Subscription Agreement and Shareholders' Agreement with British International Investment Plc ('BII'), whereby the Company and BII have agreed to invest upto Rs. 1,925 crores each in the EVCo, in two tranches subject to the terms and conditions as stipulated in the aforesaid agreement(s).

Further, pursuant to the above mentioned Board approval, the Company and BII, have today entered into a Securities Subscription Agreement and Shareholders' Agreement.

BII (formerly CDC Group plc) is the Development Finance Institution of the UK Government and invests between £1.5 and £2 billion every year to support the UK Government's Clean Green Initiative and to create productive, sustainable and inclusive economies. Over the next five years, at least 30 per cent of BII's total new commitments by value will be in climate finance. It was founded in 1948 and is based in London, England.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are given in **Annexures A & B** to this letter.

Please also find enclosed a Press Release issued in this regard.

Yours faithfully,

For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: a/a

Sale/Transfer/ Hiving off of identified assets relating to the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company

Sr. No.	Details of Events that need to be provided	Information of such events(s)
a)	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;	<ul style="list-style-type: none"> ➤ The identified assets of the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company are proposed to be transferred to a new EV company to be incorporated as a wholly owned subsidiary of the Company ('EVCo'); ➤ The 4 (Four) Wheel Passenger Electric Vehicles Business is an integral part of the overall business of the Company and the Net Worth of the said Business is not separately tracked. The total Investment of the Company in the said Business as per the audited Financial Statements for the year ended 31st March, 2022 is approximately Rs. 400 crores, which constitutes 1.03% of the total net worth of the Company; ➤ The revenue generated by 4 (Four) Wheel Passenger Electric Vehicles Business of the Company for the financial year ended 31st March, 2022 is Nil.
b)	Date on which the agreement for sale has been entered into;	The Board of Directors of the Company has on 7 th July, 2022 approved the Sale/Transfer/Hiving off of identified assets relating to the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company to the EVCo.
c)	The expected date of completion of sale/disposal;	Not later than 30 th June, 2023
d)	Consideration received from such sale/disposal;	Consideration for sale/transfer / hiving off of the identified assets of the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company will be settled by EVCo as may be decided by the Company and EVCo on arms' length basis.
e)	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	<ul style="list-style-type: none"> ➤ Buyer i.e. EVCo will be incorporated as a wholly owned subsidiary of the Company in India, to undertake the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company. ➤ EVCo does not belong to the promoter / promoter group of the Company.

Sr. No.	Details of Events that need to be provided	Information of such events(s)
f)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	<ul style="list-style-type: none"> ➤ The initial subscription of shares in EVCo does not fall within the purview of Related Party Transaction for the Company. ➤ Post initial investment by the Company, EVCo will become a wholly owned subsidiary of the Company and as such a Related Party of the Company. ➤ Except to the extent of shares to be held by the Company in EVCo, the promoter / promoter group/ group companies have no interest in EVCo. ➤ The transaction(s) <i>inter alia</i> involving:- <ul style="list-style-type: none"> ✓ Investment by the Company in EVCo; and ✓ Consideration by EVCo to the Company for acquiring identified assets relating to the 4 (Four) Wheel Passenger Electric Vehicles Business; will be on arms-length basis.
g)	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale:	Not Applicable

**Acquisition (including agreement to acquire):
Securities Subscription Agreement and Shareholders' Agreement
entered into by the Company with British International Investment Plc ('BII')**

Sr. No.	Details of Events that need to be provided	Information of such events(s)
a)	Name of the target entity, details in brief such as size, turnover etc.;	<ul style="list-style-type: none"> ➤ As mentioned in Annexure A above, the identified assets relating to the 4 (Four) Wheel Passenger Electric Vehicles Business of the Company is proposed to be sold/transferred/hived off to a new EV company which is to be incorporated as a wholly owned subsidiary of the Company ('EVCo'). ➤ The Company and British International Investment Plc ('BII') have today entered into a Securities Subscription Agreement and Shareholders' Agreement, whereby the Company and BII have agreed to invest upto Rs. 1,925 crores each in EVCo, in two tranches subject to the terms and conditions as stipulated in the aforesaid agreement(s) as under: <ul style="list-style-type: none"> ✓ First Tranche of Investment The First Tranche of Investment by the Company and BII would be for an amount of upto Rs.1,200 crores each. ✓ Second Tranche of Investment The Second Tranche of Investment by the Company and BII which would be for an amount of upto Rs. 725 crores each will be subject to achievement of certain milestones to be agreed between the Company, EVCo and BII. ➤ The details of incorporation, share capital, etc. would be disclosed by the Company once the EVCo is incorporated. ➤ Turnover, size: Not Applicable as EVCo is yet to be incorporated.
b)	<p>whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/ group companies have any interest in the entity being acquired?</p> <p>If yes, nature of interest and details thereof and whether the same is done at "arm's length";</p>	<ul style="list-style-type: none"> ➤ The initial subscription of shares in EVCo does not fall within the purview of Related Party Transaction for the Company. ➤ Post initial investment by the Company, EVCo will become a wholly owned subsidiary of the Company and as such a Related Party of the Company. ➤ Except to the extent of shares to be held by the Company in EVCo, the promoter / promoter group/ group companies have no interest in EVCo. ➤ BII is not a Related Party of the Company or its promoter/promoter group/group companies. ➤ The investment by the Company in EVCo will be on arms-length basis.