

Ref. NS: SEC
26th September, 2023

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400 051
Bourse de Luxembourg
Societe de la Bourse de Luxembourg
Societe Anonyme/R.C.B. 6222,
B.P. 165, L-2011 Luxembourg

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001

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 - Cessation of Mahindra Electric Automobile Limited as a Wholly-Owned Subsidiary

We refer to our letter dated 7th July, 2022 informing about execution of 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. i.e. Mahindra Electric Automobile Limited ("MEAL"). The said letter also mentioned that the proposed investment by BII envisaged it having a nominal shareholding of 100 Equity Shares in MEAL.

In this connection, we would like to inform you that the Company has received an intimation from MEAL on 26th September, 2023 at 7.39 p.m. that it has today, allotted 100 Equity Shares of Rs. 10/- each at a Premium of Rs. 4.50 per share, to BII for cash, for an aggregate consideration of Rs 1,450.

Consequent to the above, MEAL has ceased to be a Wholly Owned Subsidiary of the Company with effect from 26th September, 2023 but continues to be a subsidiary of the Company. Besides the 100 Equity Shares as mentioned above, BII & BII India EV LLP, a BII related party ("BII India") also hold 1,20,00,000 Compulsorily Convertible Preference Shares (CCPS) of Rs. 1000 each constituting 100% of the CCPS Capital of MEAL.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023 are provided in Annexure A enclosed and the earlier letter dated 7th July, 2022 is enclosed as Annexure B.

Thanking you,
Yours faithfully,
For **Mahindra & Mahindra Limited**

NARAYAN SHANKAR
COMPANY SECRETARY

Encl: a/a

Annexure A

Cessation of Mahindra Electric Automobile Limited as Wholly-Owned Subsidiary

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 or undertaking or subsidiary or associate company of the Company during the last financial year	<ul style="list-style-type: none"> ➤ The Revenue from operations of Mahindra Electric Automobile Limited ("MEAL") for the year ended 31st March, 2023 was Nil. ➤ The Networth of MEAL as on 31st March, 2023 stood at Rs. Rs. 1468.93 crores contributing to 2.61% of the Consolidated Net Worth of the Company excluding non-controlling interest.
b)	Date on which the agreement for sale has been entered into	<p>Date of Allotment : 26th September, 2023</p> <p>The allotment of 100 equity shares to British International Investment Plc ("BII") is in accordance with the Share Subscription Agreement dated 7th July, 2022, executed between the Company and BII, as amended by (and acceded to by the Company on 21st February, 2023) the First Amendment dated 21st February, 2023, executed between the Company, MEAL and BII ("SSA").</p>
c)	The expected date of completion of sale/disposal	MEAL has ceased to be a wholly-owned subsidiary of the Company with effect from 26 th September, 2023 but continues to be a subsidiary of the Company.
d)	Consideration received from such sale/disposal	MEAL has allotted 100 equity shares of Rs. 10/- each at a premium of Rs. 4.50 per share, to British International Investment Plc ("BII") for cash, at an aggregate consideration of Rs 1,450.
e)	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group /group companies. If yes, details thereof	<p>BII does not belong to the promoter/ promoter group /group companies. British International Investment plc is the new name for the UK's Development Finance Institution and was formerly known as CDC Group. British International Investment is a trusted investment partner to businesses in Africa, Asia and the Caribbean. It invests between USD 1.5 and USD 2 billion every year to support the UK Government's Clean Green Initiative and to create productive, sustainable and inclusive economies in the markets where it invests.</p>
f)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	<p>MEAL is a subsidiary of the Company and is a related party to the Company. BII is a related party of MEAL.</p> <p>The allotment of shares of MEAL to BII would come under the revised and extended definition of Related Party Transaction under Regulation 2(1)(zc) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Company and is at arm's length based on the Valuation Report issued by the Registered Valuer BDO Valuation Advisory LLP.</p> <p>Except to the extent of shares held by the Company in MEAL, none of the promoter/ promoter group/ group companies have any interest in MEAL.</p>
g)	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations.	Not Applicable
h)	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation /merger, shall be disclosed by the Company with respect to such slump sale	Not Applicable

**Mahindra & Mahindra Ltd.**

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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.

c)	industry to which the entity being acquired belongs;	4 (Four) Wheel Passenger Electric Vehicles
d)	objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the Company);	<ul style="list-style-type: none"> ➤ To accelerate the growth of 4 (Four) Wheel Passenger Electric Vehicles Business and to get Growth Capital to fund the said Business. ➤ EVCo will significantly leverage the manufacturing capabilities and product development of the Company as also the ecosystem of suppliers, dealers and financiers of the Company. ➤ The funds infused by the Company and BII will be utilized by the EVCo primarily to create and market a world-class Electric SUV portfolio with advanced technologies. ➤ Onboarding BII as an investor will also help the Company to leverage their focus and expertise in ESG and Climate Change.
e)	brief details of any governmental or regulatory approvals required for the acquisition;	Not Applicable
f)	indicative time period for completion of the acquisition;	<ul style="list-style-type: none"> ➤ First Tranche closing will happen on fulfilment of conditions precedent and is expected to be completed not later than 30th June, 2023 ➤ Second Tranche closing is expected to happen post completion of certain milestones in FY24
g)	nature of consideration - whether cash consideration or share swap and details of the same	The Investment by the Company and BII of an amount upto Rs. 1,925 crores each in the Securities of the EVCo will be in cash.
h)	cost of acquisition or the price at which the shares are acquired;	<ul style="list-style-type: none"> ➤ As mentioned above, the 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. ➤ The Company has agreed with BII to invest in Equity Shares of EVCo in two tranches upto an amount of Rs. 1,925 crores subject to the terms and conditions as stipulated in the Securities Subscription Agreement and the Shareholders' Agreement. ➤ BII will also invest upto an amount of Rs. 1,925 crores in the Compulsorily Convertible Preference Shares of EVCo which would result in BII having a shareholding in the range of 2.75% to 4.76% of the Share Capital of EVCo, on a fully diluted basis. The above investment by BII also envisages BII having a nominal shareholding of 100 Equity Shares in the EVCo. ➤ The Investment by the Company and BII would be subject to the terms and conditions as stipulated in the Securities Subscription Agreement and Shareholders' Agreement.
i)	percentage of shareholding / control acquired and / or number of shares acquired;	<ul style="list-style-type: none"> ➤ EVCo would be incorporated as a wholly owned subsidiary and as such the Company would hold 100% of the Equity Share Capital of EVCo. ➤ The details of incorporation, Initial infusion of Capital by the Company, Share Capital, Consideration by EVCo to the Company for acquiring the identified assets relating to the 4 (Four) Wheel Passenger Electric Vehicles Business would be decided by the Company and the EVCo post its incorporation and will be disclosed thereafter.

Mahindra & Mahindra Ltd.

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		<ul style="list-style-type: none"> ➤ Post infusion of funds by BII as mentioned above, it will have a shareholding in EVCo in the range of 2.75% to 4.76% of the Share Capital of EVCo, on a fully diluted basis. ➤ Upon subscription to CCPS, BII would get certain rights such as right to appoint one nominee director on the Board of EVCo, pre-Emptive Rights to participate in future funding rounds; affirmative voting and minority protection rights, transfer related rights, exit options, etc. as stipulated in the aforesaid agreement(s).
j)	brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	Not Applicable (EVCo is yet to be incorporated)

Press Release

British International Investment to invest up to Rs. 1,925 crores / USD 250 million at a valuation of up to Rs. 70,070 crores / USD 9.1 billion, into a new 4 Wheel Passenger Electric Vehicle Co. to be set up by Mahindra & Mahindra Ltd.

Mumbai, July 7, 2022 – British International Investment (BII), the UK’s Development Finance Institution and impact investor and Mahindra & Mahindra (M&M) have executed a binding agreement to invest up to Rs. 1,925 crores each into a wholly owned subsidiary of M&M that will be newly incorporated (“EV Co.”). BII will invest up to Rs 1,925 crores in the form of compulsory convertible instruments at a valuation of up to Rs. 70,070 crores, resulting in 2.75% to 4.76% ownership for BII in the EV Co. The EV Co. will focus on four-wheel (4W) passenger electric vehicles.

The total capital infusion for the EV Co. is envisaged to be approximately Rs. 8,000 crores / USD 1 billion between FY 24 and FY 27 for the planned product portfolio. M&M and BII will work jointly to bring other like-minded investors in the EV Co. to match the funding requirement in a phased manner.

BII’s investment is designed to significantly accelerate the availability and adoption of electric vehicles in India and other markets served by M&M. According to a recent survey by Roland Berger, a leading global automotive consulting company, Indian consumers are twice as likely as their counterparts in the UK and the US to consider the purchase of an EV. The investment alongside M&M in the new EV company supports BII’s undertaking that at least 30% of its total investments will be in climate finance.

The EV Co. will significantly leverage the broader manufacturing capabilities, product development, design organizations along with the ecosystem of suppliers, dealers, and financiers of M&M. The funds will be utilized primarily to create and market a world-class electric SUV portfolio with advanced technologies.

Dr. Anish Shah, MD & CEO, Mahindra & Mahindra Ltd. said: “We are extremely delighted to have BII as a partner in our SUV electric journey. In BII, we have found a like-minded long-term partner who is committed to combating the climate emergency. The Mahindra Group aims to be Planet Positive by 2040. Mahindra has been a pioneer in the electric vehicles space, and we are confident we will be the leaders in the electric SUV market in the future.”

Mr. Nick O’Donohoe, CEO, British International Investment, commented: “BII’s anchor investment will be key to attracting additional sources of private capital into this exciting venture with the Mahindra Group. The acceleration of EV development in India will be critical to supporting the country in reaching its emission targets as well as improving air quality in many urban areas. Mahindra will play a central role in the decarbonisation of the automotive industry in India and elsewhere.”

Mr. Rajesh Jejurikar, Executive Director – Auto & Farm Sectors, Mahindra & Mahindra, commented: “Mahindra has very exciting plans to be a leader in the electric SUV space. We would share our vision that includes our comprehensive product, technology, and platform strategy at the UK event on 15 August 2022, followed by a reveal of the electric XUV 400 in September 2022. We would expect between 20% to 30% of Mahindra SUVs being electric by 2027”.

Mr. Samir Abhyankar, Managing Director and Head of Direct Private Equity, British International Investment, said: “Climate change is one of the biggest challenges of our time. The investment into Mahindra’s EV business is in line with our decarbonization strategy and focus of supporting sustainable business models that create new jobs, particularly for women. We are delighted to be backing Mahindra to execute on their compelling EV strategy and ambition and crowd in other like-minded investors in the future.”

It is expected that the first round of BII's capital investment will be completed not later than June 2023 on fulfilment of conditions precedent and the balance post completion of certain milestones in FY24.

Khaitan & Co. are legal advisors to Mahindra. Cyril Amarchand Mangaldas and Cleary Gottlieb are legal advisors to BII for the transaction.

About Mahindra

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality, and real estate.

The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise/ For updates subscribe to <https://www.mahindra.com/news-room>

About British International Investment (BII)

British International Investment is the new name for the UK's Development Finance Institution and was formerly known as CDC Group.

British International Investment is a trusted investment partner to businesses in Africa, Asia and the Caribbean. It invests between GBP 1.5 and GBP 2 billion every year to support the UK Government's Clean Green Initiative and to create productive, sustainable and inclusive economies in our markets

British International Investment plays a key role in the UK Government's wider plans to mobilize up to GBP 8 billion a year of public and private sector investment in international projects by 2025.

Over the next five years, at least 30 per cent of BII's total new commitments by value will be in climate finance. This will make it one of the world's largest climate investors in Africa.

BII is also a founding member of the [2X Challenge](#) which has raised USD 10 billion to empower women's economic development.

The company has investments in over 1,300 businesses in emerging economies and total assets of GBP 7.7 billion.

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For Mahindra

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For British International Investment

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