

REF:NS:SEC:

12th February, 2016

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: Transfer of Agri Business of the Company to Mahindra Shubhlabh Services Limited, a Wholly Owned Subsidiary of the Company

The Board of Directors of the Company has today approved of a proposal to transfer the Agri Business of the Company to Mahindra Shubhlabh Services Limited, a Wholly Owned Subsidiary of the Company.

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 Annexure A to this letter.

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

Kindly take the same on record and acknowledge receipt.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY

Encl: a/a.

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Annexure A

Sr. No.	Details of Events that need to be provided	Information of such events(s)
1.	2.	3.
a.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the Company during the last financial year and brief details of the division(s) to be sold	<p>Brief details of the Agri Buisness of the Company proposed to be transferred to Mahindra Shubhlabh Services Limited, a Wholly Owned Subsidiary of the Company :-</p> <ul style="list-style-type: none"> • #The Agri Business of the Company inter alia consists of Crop Care, Seeds, Pulses, Edible Oils, Basmati Rice, Potato, Potato Flakes, Dairy and an investment in Mahindra HZPC Pvt. Ltd. ("MHZPC"), a subsidiary of the Company engaged in the seed potato business. • *Income of the Agri business (excluding income of Rs.21.6 cr. of MHZPC) was Rs.211.35 crores which is 0.53% of the total income of the Company. • *Networth of the Agri business (excluding cost of investment of Rs.4.7 crores in MHZPC) was Rs.130.7 crores which is 0.68% of the total networkth of the Company. <p>* (As on 31st March, 2015)</p> <p>#The Agri business Division which is proposed to be transferred does not tantamount to "whole or substantially the whole of the undertaking of the company" as per Section 180 of the Companies Act, 2013.</p>
b.	Date on which the agreement for sale has been entered into	Agreements are expected to be signed by March, 2016

1.	2.	3.
c.	The expected date of completion of sale/disposal	April, 2016
d.	Consideration received from such sale/disposal	Sale of the Agri Buisness is for an aggregate Cash consideration of Rs.260.06 crores based on fair market value as determined by an Independent Valuer, supported by a Fairness opinion
e.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group /group companies. If yes, details thereof	Buyer is Mahindra Shubhlabh Services Limited (MSSL), a Wholly Owned Subsidiary (WOS)of the Company MSSL does not belong to the Promoter/Promoter Group.
f.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	Yes : MSSL is a WOS of the Company and as such a Related Party. The transaction is at Arms Length
g.	Additional details , in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the Company with respect to such slump sale, as under :	
(i)	Area of business of the Division/Buisness;	- Crop Care, Seeds, Pulses, Edible Oil, Potato, Flakes, Dairy, Basmati Rice
(ii)	Rationale for sale of the unit/ division /business;	To consolidate Agri Businesses under an entity. This consolidation would help unlock synergies between various individual verticals and help offer end to end solutions for farmer needs across the Agricultural Value chain.
(iii)	In case of cash consideration - amount or otherwise share exchange ratio;	As mentioned in point d above
(iv)	Brief details of change in shareholding pattern (if any) of listed entity.	None

Mahindra consolidates its Agri Businesses to drive stronger synergies

- ***All Agri Businesses to come under Mahindra Shubhlabh Services Limited (MSSL), a 100% subsidiary of Mahindra & Mahindra Ltd.***
- ***Micro irrigation company, EPC Industries to continue as a direct subsidiary of Mahindra and Mahindra Ltd.***

Mumbai February 12, 2016: The Board of Mahindra & Mahindra Ltd. (M&M) today approved the transfer of its agri businesses to Mahindra Shubhlabh Services Limited (MSSL), a 100% subsidiary of M&M. With its vision of delivering ***FarmTech Prosperity***, Mahindra Agri Business aims to use various new and existing farming technologies to increase productivity of the farmer and thus increase his prosperity.

Commenting on the occasion, **Anand Mahindra, Chairman, Mahindra Group** said, “Our Agri Business is aligned to our long term vision of delivering ***FarmTech Prosperity***. With close to 50 per cent of the population of the country dependent on agriculture, it offers us an opportunity to truly live the Mahindra *Rise* philosophy, by driving positive change. Today, we have multiple businesses under different entities; bringing them all together would provide the right environment to maximize synergies and create value for all stakeholders.”

Dr. Pawan Goenka, Executive Director, Mahindra and Mahindra Ltd. said, “Our Agri Business has reached a critical mass now and this new entity would provide an opportunity to fully leverage the potential that these businesses offer and thus, function as an end-to-end provider in the agri value chain. It offers an opportunity for immense value creation in agriculture, enabling us to realise our vision of ***FarmTech Prosperity***. This consolidation will also enable the organization to focus on agri-business and will allow us to serve the farmers with greater passion.”

Mahindra’s Agri Businesses

Currently, M&M’s Agri Businesses include the following: Crop Care, Seeds, Seed Potato, Pulses, Edible Oils, Fruits, Dairy and Micro Irrigation. All agri businesses with the exception of Micro Irrigation would now come under MSSL. The micro irrigation business, EPC Industries Limited will continue as a direct subsidiary of M&M Ltd. The businesses would also have the

following brands: **Samriddhi** for selling of agri inputs, **Saboro** for high quality fruits, and **NuPro** for pulses and edible oils.

M&M's agri business has achieved around 8X growth in turnover in the last 4 years. In this endeavour it touches the lives of nearly 1 lakh farmers every year. Its flagship programme, '**Farmer Under Productivity Improvement (FUPI)**' has been certified by global agencies for its ability to increase farm productivity. In the last 2 years, recognizing the need of farmers to earn the right amount for their produce, M&M's Agri Business has also rapidly expanded its output portfolio in fruits, pulses and edible oils. This also allows it to meet the huge unmet demand for quality produce in India. M&M also has a JV with HZPC Holland BV for seed potatoes. HZPC is amongst the world leaders in seed potato technology and the JV is expected to provide world class R&D capability. This JV will now be a subsidiary of MSSL.

With this consolidation, as mentioned above, all M&M's Agri Businesses would now come under Mahindra Shubhlabh Services Limited (MSSL). MSSL was set up in 2003 for the export of grapes and is one of the largest exporters of grapes from India. Its high quality products are sold in markets in Europe, the Middle East, Russia and South East Asia. MSSL sources its grapes from Western India and Egypt, and has recently commenced operations in Chile and Peru. In all these places, MSSL works closely with the farmers to increase their productivity and ensure the right quality of produce. MSSL also has a JV, Mahindra Univeg Pvt. Ltd. with Greenyard Fruits for fresh produce. With a turnover of around Euro 4 Bn, Greenyard Foods is one of the largest F&V players in the world. The JV is expected to provide access to a world class supply chains for fruits.

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 16.9 billion multinational group based in Mumbai, India, Mahindra provides employment opportunities to over 200,000 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](#), [financial services](#) and [vacation ownership](#). In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, [defence](#), energy, industrial equipment, logistics, [real estate](#), retail, steel, [commercial vehicles](#) and [two wheeler](#) industries.

In 2015, Mahindra & Mahindra was recognized as the Best Company for CSR in India in a study by the Economic Times. In 2014, Mahindra featured on the Forbes Global 2000, a comprehensive listing of the world's largest, most powerful public companies, as measured

by revenue, profit, assets and market value. The Mahindra Group also received the Financial Times 'Boldness in Business' Award in the 'Emerging Markets' category in 2013.

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Facebook - <https://www.facebook.com/MahindraRise>

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