

REF:NS:SEC:

26<sup>th</sup> November, 2020

**National Stock Exchange of India Limited**  
"Exchange Plaza", 5<sup>th</sup> 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: Agreement for Sale of stake by Mahindra Holdings Limited ("MHL"), a wholly owned subsidiary of the Company, in Mahindra First Choice Services Limited and Auto Digitech Private Limited, subsidiaries of MHL and of the Company

With reference to the captioned subject, we would like to inform that Mahindra Holdings Limited ("MHL") a wholly owned subsidiary of the Company, has today agreed to sell its entire stake aggregating 100% of the paid-up Equity Share Capital in Mahindra First Choice Services Limited ("MFCS") and its entire stake aggregating 100% of Optionally Convertible Redeemable Preference Shares in Auto Digitech Private Limited ("ADPL"), wholly owned subsidiary of MFCS, to TVS Automobile Solutions Private Limited ("TASL").

Following the sale, MHL's shareholding in MFCS and ADPL would come down to Nil, and MFCS and ADPL would cease to be the subsidiaries of MHL and consequently of the Company.

The details for sale of subsidiaries, i.e., MFCS and ADPL as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 are given in Annexures A1 and A2 respectively 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.: as above.

**Sale of subsidiaries of the Company:**

**Annexure A1 - Mahindra First Choice Services Limited (MFCS)**

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;	<p>The turnover of MFCS for the year ended 31<sup>st</sup> March, 2020 was Rs 106.52 crores and after elimination of inter-company transactions with the Group, contributed Rs 106.30 crores or 0.11% to the consolidated turnover of the Company.</p> <p>The networth of MFCS for the year ended 31<sup>st</sup> March 2020 was negative at Rs 53.36 crores and after elimination of inter-company balances with the Mahindra Group, it contributed negative Rs 53.36 crs or negative 0.13% of the consolidated net worth of the Company excluding Non-Controlling Interest.</p>
b)	Date on which the agreement for sale has been entered into;	26 <sup>th</sup> November, 2020
c)	The expected date of completion of sale/disposal;	28 <sup>th</sup> February, 2021
d)	Consideration received from such sale/disposal;	Cash consideration - Rs 21.5 crs to be received by Mahindra Holdings Limited on sale of equity shares held in MFCS.
e)	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	<p>Buyer - TVS Automobile Solutions Private Limited. ("TASL")</p> <p>Following the sale of shares of MFCS, TASL will hold 100% of the paid-up equity share capital of MFCS.</p>

Sr. No.	Details of Events that need to be provided	Information of such events(s)
		The buyer does not belong to the promoter / promoter group / group companies.
f)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	The transaction does not fall within related party transactions.
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

## Annexure A2 – Auto Digitech Private Limited (ADPL)

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;	<p>The turnover of ADPL for the year ended 31<sup>st</sup> March, 2020 was Rs 0.22 crores which after elimination of inter-company transactions with the Group, contributed Rs 0.03 crores or &lt;0.01% of the consolidated turnover of the Company.</p> <p>The Networth of ADPL for the year ended 31<sup>st</sup> March, 2020 was negative at Rs. 5.87 crores (negative 0.01% of the consolidated net worth of the Company excluding Non-Controlling Interest) which after elimination of inter-company balances with the Group, contributed negative Rs 16.79 crores or negative 0.04% of the consolidated net worth of the Company excluding Non-Controlling Interest.</p> <p>The Optionally Convertible Redeemable Preference Share (“OCRPS”) of ADPL are held by Mahindra Holdings Limited and the equity shares of ADPL are held by Mahindra First Choice Services Limited.</p>
b)	Date on which the agreement for sale has been entered into;	26 <sup>th</sup> November, 2020
c)	The expected date of completion of sale/disposal;	28 <sup>th</sup> February, 2021

<b>Sr. No.</b>	<b>Details of Events that need to be provided</b>	<b>Information of such events(s)</b>
d)	Consideration received from such sale/disposal;	Cash consideration of Rs 13.5 crores to be received by Mahindra Holdings Limited for sale of OCRPS held in ADPL
e)	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	Buyer - TVS Automobile Solutions Private Limited. ("TASL").  The buyer does not belong to the promoter / promoter group / group companies.
f)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	The transaction does not fall within related party transactions.
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

## **Mahindra and Mahindra to partner with TVS Automobile Solutions for integrating its Mahindra First Choice Service business**

- *In a share swap transaction, M&M will secure a stake in TVS Automobile Solutions*
- *Transaction will empower partners and employees by driving growth through digital solutions*

**Chennai, 26 November, 2020;**

Mahindra First Choice Services Ltd. (MFCSL), a pan-India chain of multi-brand car and two-wheeler service workshops, part of the \$19.4 Bn Mahindra Group, today announced a plan to integrate its operations with TVS Automobile Solutions Pvt. Ltd., (TVS ASPL), India's leading independent automotive aftermarket player. The move will enable the respective organisations to combine their strengths to organise the highly fragmented automobile aftermarket services space in India, thereby providing superior value to customers, channel partners, employees and other stakeholders.

MFCSL will partner with TVS Automobile Solutions, which houses 'myTVS,' a multi-brand independent automobile aftermarket brand that offers integrated solutions across the aftermarket value chain. As part of the transaction, Mahindra and Mahindra Ltd. will secure a stake in TVSASPL and in turn, MFCSL will become a subsidiary of TVS ASPL. The transaction is subject to regulatory approvals, including an approval from the Competition Commission of India (CCI).

Says **Mr. R. Dinesh, Director, TVS Automobile Solutions Pvt. Ltd.** "I am delighted with this deal as two great brands have come together for the benefit of the overall aftermarket ecosystem. India's \$10 bn aftermarket segment is fragmented and needs strong support for relevance and growth amidst changing technology landscape in the automotive sector. We would take this opportunity to bring thousands of entrepreneurs into a digital platform wherein they can get benefited from digital technologies across marketing, diagnostics, customer experience, quality parts, access to training and digital payments. I am sure this partnership will be a win-win proposition for all the stakeholders."

**Mr. V S Parthasarathy, President, Mobility Services Sector, Mahindra Group** said, "MFCSL has developed a large, trusted, multi-brand car service franchise and distribution network over the years. Our focus on quality and customer satisfaction has ensured that we continue to deliver superior value to our customers and channel partners. I believe that

consolidation, scale and phygital solutions will drive the next phase of growth for the company as well as the industry. I am confident that a strong partner like TVS ASPL will help take our legacy further and propel the company to the next orbit. I applaud the commitment and passion of our franchisees, distributors and employees and seek their support as we embark on the next phase of the journey.”

**Mr. G. Srinivasa Raghavan, Managing Director, TVS ASL** added, “myTVS has created a digital platform and ecosystem for over 2,500 garages especially across South India. With MFCSL, we will have an opportunity to create a pan India digital footprint. We will continue to invest and expand our network to over 10,000 garages in the next 18-24 months. It is imperative that we take this positioning to help organize the fragmented garage ecosystem so that we can continue to provide superior customer experience to the growing automotive population and help these garages by making them future ready.”

The Indian independent automotive aftermarket has been growing at a CAGR of 7-10% over the past five years. The market is highly fragmented with over 40,000 retailers, 100,000 garages and thousands of small distributors across the country. MFCSL has established a highly reputed pan-India network of 475+ franchise partners and 100+ distributors present in over 350 towns across 25 states and 2 union territories. TVS ASL, over the years, has established a strong leadership by empowering over 2 million customers, 20,000 retailers, 10,000 garages along with fleet management for over 70,000 vehicles. By bringing these stakeholders into a seamless supply chain and technology platform, TVS ASL ensures delivery of service or parts within 24 hours across the country.

#### **About TVS Automobile Solutions Pvt. Ltd.**

TVS ASL, part of the \$ 8.5 billion TVS Group, is one of India’s largest players in independent automobile aftermarket business. It aims at providing an innovative, technology based global service & parts delivery model to help manufacturers connect with customers, garages and retailers directly. Please visit [www.mytvs.in](http://www.mytvs.in)

#### **About Mahindra First Choice Services Ltd.**

Mahindra First Choice Services (MFCSL), part of the USD 19.4 billion Mahindra Group, is a pan-India chain of multi-brand car and two-wheeler service workshops. MFCSL also has a presence in the private label spare parts segment for leading brands. MFCSL has launched a

new flagship technology platform, DearO – the simplest and smartest workshop management system designed to seamlessly work for large, medium and small garages alike. MFCSL is certified as a ‘Great Place to Work’ organization.

Visit us at [www.mahindrafirstchoiceservices.com](http://www.mahindrafirstchoiceservices.com)

**For further enquiries please contact:**

Mr. Pramuch Goel  
Group Communications  
Mahindra Group  
Email: [goel.pramuch@mahindra.com](mailto:goel.pramuch@mahindra.com)

V. Madhavan  
Corporate Communications  
Email: [madhavan.v@tvs.in](mailto:madhavan.v@tvs.in)