

REF:NS:SEC:
24th September, 2020

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.

Dear Sirs,

Sub: Intimation of acquisition - under Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, we would like to inform you that the Company has today converted 480 Compulsorily Convertible Preference Shares of Sampo Rosenlew Oy, Finland, an Associate of the Company ("Sampo") into 1,440 equity shares and exercised a Call Option to acquire 633 equity shares from the owners of Sampo. Pursuant to the said transaction, the voting rights of the Company in Sampo would increase from 49.14% to upto 74.97%, and Sampo would become a 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 in this regard.

This is for your information.

Kindly acknowledge receipt.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: a/a

Acquisition (including agreement to acquire):

Sr. No.	Details of Events that need to be provided	Information of such event(s)
a)	name of the target entity, details in brief such as size, turnover etc.;	<p>Sampo Rosenlew Oy, Finland, an Associate of the Company ("Sampo") is a leading player in combine harvesters' market.</p> <p>Sampo is a European combine harvester company, well-known for mid-sized combine harvesters in the markets of Europe, Eurasian countries and North Africa and is also a joint venture partner for combine harvesters in Algeria.</p> <p>Together with its existing strategy in the core markets, Sampo is developing a new range of combine harvesters for developing markets and for specialty crops. The Company and Sampo will jointly focus on the combine & specialty harvester business in Asia, Africa and Eurasian Economic Union countries and Latin America.</p> <p>Sampo had a total revenue of Euro 49 million during the 12 months ending 31st March 2020.</p>
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>	<p>Yes.</p> <p>As mentioned above Sampo is an Associate of the Company and as such a Related Party.</p> <p>Consequently, the conversion of 480 Compulsorily Convertible Preference Shares ("CCPS") into 1,440 Equity Shares of Sampo is a Related Party Transaction and is at arm's length basis.</p> <p>However, the Secondary purchases arising out of exercise of a Call Option to acquire 633 equity shares from the owners of Sampo are not Related Party Transactions.</p> <p>None of the promoter / promoter group / group companies of the Company have any interest in Sampo, except to the extent of Sampo being an Associate of the Company.</p>

c)	industry to which the entity being acquired belongs;	Farm Equipment Sector
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);	<p>Harvesting machinery is the second largest category in the global farm equipment industry.</p> <p>Mahindra's scale in tractors and Sampo's expertise in combine harvesters allows both companies to offer a broader product portfolio to address the needs of farmers in various countries.</p> <p>In India the combine harvester market is currently much smaller than tractors but is growing rapidly with the penetration of mechanisation. It is imperative that the Company builds a strong position in this product line for India and other export markets.</p> <p>Sampo is the global engineering center for the Company's harvester product line. Also various new product development programmes are underway with both the engineering teams working jointly.</p> <p>Post conversion of CCPS and acquisition of shares as mentioned above, Sampo would become a subsidiary of the Company.</p>
e)	brief details of any governmental or regulatory approvals required for the acquisition;	Not Applicable
f)	indicative time period for completion of the acquisition;	By December, 2020.
g)	nature of consideration - whether cash consideration or share swap and details of the same	<p>No consideration will be paid for conversion of CCPS into Equity Shares.</p> <p>For further acquisition of Equity Shares pursuant to exercise of a Call Option, consideration will be paid in cash.</p>
h)	cost of acquisition or the price at which the shares are acquired;	<p>Conversion of CCPS into Equity Shares - No consideration</p> <p>Exercise of Call Option - Total acquisition cost pursuant to exercise of a Call Option is Euro 21,09,789 (633 Equity Shares @ Euro 3,333 per share) [equivalent to around Rs. 18.14 crores at the foreign exchange rate of Rs. 86 per Euro].</p>

i)	percentage of shareholding / control acquired and / or number of shares acquired;	Post conversion of CCPS into equity shares and further acquisition of equity shares pursuant to exercise of a Call Option, the voting rights of the Company in Sampo, would increase from 49.14% to upto 74.97%.
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)	<p>Sampo was founded in 1853 and is based out of Pori, Finland. Sampo is a manufacturer of combine harvesters and forest machinery with market presence in Europe, CIS and Algeria.</p> <p>Turnover details:</p> <ul style="list-style-type: none"> • Year ended 30th September, 2017: Euro 40 million • 18 months ending 31st March, 2019: Euro 75 million • Year ended 31st March, 2020: Euro 49 million



SAMPO ROSENLEW

PRESS RELEASE

Mahindra & Mahindra increases its stake to 74.97% in Sampo Rosenlew

Pori, September 24, 2020: Mahindra & Mahindra Ltd. today raised its shareholding in Sampo Rosenlew Oy to 74.97 %. Mahindra & Mahindra has been a shareholder in Sampo Rosenlew since July 2016. Since then the two companies have closely worked on a global alliance to drive the growth of their combine harvester and forest machine businesses in various parts of the world. In line with Mahindra's governance principles for associate companies Sampo-Rosenlew will continue to be run as a stand-alone, independent business unit while simultaneously leveraging synergies where possible.

Mahindra & Mahindra is the world's largest farm tractor manufacturer by volume. Harvesting machinery is the second largest category in the global farm equipment industry. Mahindra's scale in tractors and Sampo's expertise in combine harvesters allows both companies to offer a broader product portfolio to address the needs of farmers in various countries. Sampo brings to Mahindra world class technology in combine harvesting for the core Mahindra markets of India, Asia and Africa. The Mahindra backing provides Sampo with growth opportunities in newer export markets, also enabling Sampo to leverage Mahindra's strength in manufacturing, sourcing, and distribution.

Mr. Jussi Malmi, Chief Executive Officer, Sampo-Rosenlew said, ***“Mahindra's increased shareholding will enable Sampo Rosenlew to further build on a successful alliance. Sampo will benefit from Mahindra's global scale in farm equipment and contribute to the growth of Mahindra's combine harvester business line.”***

About Sampo Rosenlew

Sampo Rosenlew Ltd. located in Pori, Finland has a turnover of around Euro 50 million. The company's main products are combine harvesters and forest machines. Sampo Rosenlew currently sells its machines to over 50 countries and exports approximately 90% of its products. The main markets are Europe, CIS countries, Americas and North Africa.

About Mahindra

The Mahindra Group is a USD 19.4 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It enjoys a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company by volume. It also enjoys a strong presence in renewable energy, agribusiness, logistics and real estate development. Headquartered in India, Mahindra employs over 2,56,000 people across 100 countries.

For more information, please contact:

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