

REF:NS:SEC:

7th July, 2021

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:

- **Erkunt Traktor Sanayi A.S. ("Erkunt"), a Subsidiary of the Company to acquire the Agriculture Machinery business from Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi, (Hisarlar), a Subsidiary of the Company.**
- **Agreement for Sale of Stake by Mahindra Overseas Investment Company (Mauritius) Limited ("MOICML"), a wholly owned subsidiary of the Company, and by Erkunt in Hisarlar.**

We would like to inform you that Hisarlar with its wide range of Agriculture Machinery products ranging from soil tillage to post harvest segments, is a well-known brand in Turkey. In addition, Hisarlar also serves marque customers in Europe as a supplier of fabricated metal components for Construction Equipment, Automotive, etc.

- I. Mahindra Group, through Erkunt Traktor Sanayi A.S. ("Erkunt"), will continue to operate the Agriculture Machinery business and towards this end Erkunt and Hisarlar, fellow subsidiaries have today agreed :-
 - To transfer the select tangible and intangible assets related to the Agriculture Machinery business (namely certain trademarks, intellectual property, fixtures and certain other assets) from Hisarlar to Erkunt.
 - To enter into a non-exclusive contract manufacturing and licensing arrangement for licensing of intellectual property pertaining to agriculture machinery products, from Erkunt to Hisarlar and for production and supply of agriculture machinery products by Hisarlar.
- II. MOICML and Erkunt have today agreed to sell their entire stake aggregating 94.3% of the paid-up equity share capital in Hisarlar, for an aggregate consideration of Turkish Lira 6.6 million (equivalent to approx. INR 5.6 crores).

Hisarlar holds 100% of the equity share capital in Hisarlar İthalat İhracat Pazarlama Anonim Şirketi (Hisarlar Subco) and as such is a wholly owned subsidiary of Hisarlar.



Mahindra & Mahindra Ltd.

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Following the sale, shareholding of MOICML and Erkunt in Hisarlar would come down to Nil, and Hisarlar & Hisarlar Subco would cease to be subsidiaries of MOICML and consequently of the Company.

The remaining 5.7% of the equity share capital of Hisarlar is held by European Bank for Reconstruction and Development ("EBRD"), an institutional investor. MOICML shall extend its best efforts to purchase the stake held by EBRD and sell it to the Buyer in an independent transaction and agreement for sale.

The details for sale of subsidiaries, i.e., Hisarlar & Hisarlar Subco 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 is given in Annexures A1 and A2 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 – Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Hisarlar)

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 consolidated turnover of Hisarlar for the year ended 31st March, 2021 was Turkish Lira 241.5 million (equivalent to approx. INR 243.9 crores) and after elimination of inter-company transactions with the Mahindra Group, contributed Turkish Lira 215.3 million (equivalent to approx. INR 217.4 crores) or 0.29% to the consolidated turnover of the Company.</p> <p>The consolidated networth of Hisarlar as of 31st March 2021 was at Turkish Lira 48.8 million (equivalent to approx. INR 43.1 crores) and after elimination of inter-company balances with the Mahindra Group, contributed Turkish Lira 46.1 million (equivalent to approx. INR 40.7 crores) or 0.10% 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;	7 th July, 2021
c)	The expected date of completion of sale/disposal;	31 st October, 2021
d)	Consideration received from such sale/disposal;	Cash consideration - of Turkish Lira 6.6 million (equivalent to approx. INR 5.6 crores).
e)	Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof;	<p>The Buyers are a Group of Individuals of Turkish citizenship as given below: Mr. Oğuzhan Şahinkaya, Mr. Bünyamin Sarioğlu</p> <p>The Buyers do not belong to the promoter / promoter group / group companies.</p>

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 share sale transaction does not fall within related party transactions. ➤ However, the following would be a related party transaction inter-se between Hisarlar and Erkunt being fellow subsidiaries: <ul style="list-style-type: none"> • The transfer of the related select tangible and intangible assets (namely certain trademarks, intellectual property, fixtures and certain other assets) pertaining to agriculture machinery business from Hisarlar to Erkunt and • Licensing of intellectual property, pertaining to agriculture machinery products, from Erkunt to Hisarlar and contract manufacturing of agriculture machinery products by Hisarlar by way of Non-Exclusive Contract Manufacturing and Licensing Agreements between Erkunt and Hisarlar.
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 - Hisarlar İthalat İhracat Pazarlama Anonim Şirketi (Hisarlar Subco)

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 consolidated turnover of Hisarlar, Parent company of Hisarlar Subco, for the year ended 31st March, 2021 was Turkish Lira 241.5 million (equivalent to approx. INR 243.9 crores) and after elimination of inter-company transactions with the Mahindra Group, contributed Turkish Lira 215.3 million (equivalent to approx. INR 217.4 crores) or 0.29% to the consolidated turnover of the Company.</p> <p>The consolidated networth of Hisarlar, Parent company of Hisarlar Subco as of 31st March 2021 was at Turkish Lira 48.8 million (equivalent to approx. INR 43.1 crores) and after elimination of inter-company balances with the Mahindra Group, contributed Turkish Lira 46.1 million (equivalent to approx. INR 40.7 crores) or 0.10% 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;	7 th July, 2021
c)	The expected date of completion of sale/disposal;	31 st October, 2021
d)	Consideration received from such sale/disposal;	The cessation of Hisarlar Subco as a subsidiary of MOICML and of the Company is on account of sale of shares of its parent company i.e. Hisarlar as mentioned in Annexure A1.
e)	Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof;	<p>The cessation of Hisarlar Subco as a subsidiary of MOICML and of the Company is on account of sale of shares of its parent company i.e. Hisarlar as mentioned in Annexure A1.</p> <p>The Buyers do not belong to the promoter / promoter group / group companies.</p>

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";	The share sale 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.

PRESS RELEASE

Mahindra Restructures its Farm Equipment business in Turkey

- Erkunt Traktor to acquire Hisarlar's Agricultural Machinery business and build on its turnaround, evolving into a full range Farm Equipment OEM
- MOICML to divest its stake in the non-core Metal Fabrication business of Hisarlar

Mumbai, July 7, 2021:

Mahindra and Mahindra Ltd, today announced that its subsidiary Erkunt Traktor Sanayi A.S. (Erkunt), will acquire the Agriculture Machinery business from Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Hisarlar), also a subsidiary of the company. In a reverse deal, Mahindra Overseas Investment Company (Mauritius) Limited (MOICML), a wholly owned subsidiary of the Company, and Erkunt have agreed to sell their entire stake of 94.3% in Hisarlar, for an aggregate consideration of Turkish Lira 6.6 million (equivalent to approx. INR 5.6 crores).

As part of the restructuring its subsidiaries in Turkey, Mahindra Group will exit Hisarlar's Metal Fabrication business. While, Erkunt will acquire the Agricultural Machinery business of Hisarlar, including select related assets, Intellectual Property and Brand use rights. Mahindra Group, through Erkunt will continue to stay invested in the core business of Agricultural Machinery products ranging from soil tillage to post harvest segments. In addition, Erkunt will acquire select cabin manufacturing assets of Hisarlar.

Commenting on the transaction, **Hemant Sikka, President, Farm Equipment Sector, M&M Ltd.** said, *"Through this transaction, we have retained the core business of Agricultural Machinery and all the IP built over the years. This makes Erkunt Traktor a full range Farm equipment OEM, ensuring that our dealers in Turkey and customers in Europe and other international markets continue to be serviced. It is in line with our capital allocation and in perfect harmony with our purpose of 'Transform Farming, Enrich Lives'.*

Mahindra continues to establish itself as a global tractor maker with a full line of farm machinery business through acquisitions and new manufacturing units, underpinned by the requisite brand and sales infrastructure as well as a leveraging its global network for product development.

For over 3 decades, Mahindra has been India's unprecedented No. 1 tractor brand and the world's largest tractor manufacturer by volumes. With a presence in over 50 countries Mahindra has leveraged its quality, as the only tractor brand in the world to win both the Deming Award and the Japanese Quality Medal.

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>

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