

REF:NS:SEC
19th January, 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 400 001.

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: Hero Electric and Mahindra & Mahindra Announce Strategic Partnership in Electric Mobility

The Company and Hero Electric Vehicle Private Limited ("Hero Electric") announced a Strategic Partnership in Electric Mobility which envisages the following arrangement between the two Companies:

- Contract Manufacturing by the Company at its Pithampur plant for Hero Electric's most popular electric bikes - Optima & NYX
- Utilising the Company's supply chain to help Hero Electric reach newer centres in the country
- Joint Product Development and Knowledge Sharing
- Electrification of Peugeot Motorcycles' portfolio through platform sharing

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 being issued in this regard.

You are requested to kindly note the same.

Yours faithfully,
For MAHINDRA AND MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: a/a

Annexure A

Arrangements for manufacturing tie-up: Agreement with companies

Sr. No.	Details of Events that need to be provided	Information of such events(s)
a)	name of the entity(ies) with whom agreement/ JV is signed;	Hero Electric Vehicle Private Limited ("Hero Electric")
b)	area of agreement/ JV ;	<ul style="list-style-type: none"> ➤ Contract Manufacturing by the Company at its Pithampur plant for Hero Electric's most popular electric bikes – Optima & NYX ➤ Utilising the Company's supply chain to help Hero Electric reach newer centres in the country ➤ Joint Product Development and Knowledge Sharing ➤ Electrification of Peugeot Motorcycles' portfolio through platform sharing
c)	domestic/international;	Domestic
d)	Share exchange ratio JV -ratio;	Not Applicable
e)	scope of business operation of agreement JV ;	Contract Manufacturing by the Company at its Pithampur plant for Hero Electric's most popular electric bikes – Optima & NYX
f)	details of consideration paid / received in agreement JV ;	Over the contract period, the value of the transaction is expected to be in the range of Rs. 140 - 150 crores.
g)	significant terms and conditions of agreement JV in brief;	Hero Electric and the Company will enter into a 5 year Contract with scope to enhance the area of collaboration in future.
h)	whether the acquisition would fall within related party transactions and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";	The transaction is not a Related Party Transaction.
i)	size of the entity(ies);	Hero Electric -(Unaudited) <ul style="list-style-type: none"> ➤ Turnover for first nine month of FY 22 i.e. upto 31st December, 2021 - Rs. 556.10 crores ➤ Loss as on 31st December 2021 - Rs. 40.60 crores
j)	rationale and benefit expected.	The synergy will Leverage Plant Capacity utilization of the Company and help Hero Electric meet its growing demand for its EVs.

Hero Electric and Mahindra & Mahindra Announce Strategic Partnership in Electric Mobility

- Collaboration in manufacturing to enhance production to meet growing demand
 - Joint Product Development and knowledge sharing
- Enable electrification of Peugeot Motorcycles' portfolio through platform sharing

New Delhi and Mumbai, January 19, 2022: Hero Electric, India's No.1 EV company and the Mahindra Group today announced their collaborative intent as part of Hero's growth and expansion plans to cater to the ever-growing demand for EVs in the country. The strategic partnership will create multiple synergies to help drive adoption across the country.

As part of the partnership, Mahindra Group will manufacture Hero Electric's most popular electric bikes – Optima & NYX at their Pitampur plant to meet the growing demands of the market. With this collaboration along with the expansion of their existing Ludhiana facility, Hero will be able to meet its demand of manufacturing over 1 million EVs per year by 2022. This will further enable them to drive adoption of a cleaner mode of transport.

Speaking on the announcement, **Mr. Naveen Munjal, MD, Hero Electric** said, *"Hero Electric has been leading the Electric two-wheeler sector in the country. To further deepen its roots and strengthen the leadership, Hero Electric has announced a partnership with the Mahindra Group, which is leading the EV transition in the electric three and four wheelers space. This coming together of two industry leaders is to further enhance the manufacturing capabilities to meet demand and utilize Mahindra Group's robust supply chain to reach newer centers in the country. The long-term partnership will also see both the companies make the most out of each other's deep knowledge of EVs and drive new product development in the next few years. We look forward to creating more synergies with them in the near future."*

The joint development efforts will also be a key factor in developing the platform approach to help electrification of the Peugeot Motorcycles' portfolio. This is expected to bring significant value to both parties through optimization of costs, timelines, and shared knowledge in this dynamic, fast growing global EV environment.

Sharing his thoughts on the partnership, **Rajesh Jejurikar, Executive Director, Auto & Farm Sectors, Mahindra & Mahindra Ltd.**, said, *"Peugeot Motorcycles has ambitious plans in the EV mobility space in several regions of the world and particularly in Europe. This strategic partnership will bolster these efforts through joint development and a platform sharing approach leveraging the combined strengths of the two businesses. Our R&D Centre in India will be integral to this arrangement as will the manufacturing facility at Pitampur, that already supplies Peugeot with EV products. I see significant value creation on a mutually beneficial basis and look forward to this partnership delivering on its obvious promise."*

The two companies will create a seamless channel of communication to aid knowledge sharing among the R&D teams to build new products and technologies. This will be done keeping the Indian and global markets in mind that will not just further the growth of electric vehicles, but also go on to set benchmarks for faster adoption in the industry.

About Hero Electric India:

HERO ELECTRIC is one of the oldest and India's Largest Electric two-wheeler company and has been at the forefront of the electric 2-wheeler industry. The company's manufacturing unit is in Ludhiana, and it sells a wide range of electric scooters catering to a wide spectrum of customers. Hero Electric currently has over 750 (and rapidly expanding) sales and service outlets spread across the country along with a widespread charging network and trained roadside mechanics on EVs. It has a lot of firsts in the industry ranging from developing and launching the first lithium ion based electric scooters in India to launching the unique concept of charging stations for anywhere, everywhere charging. With over 4.5 lakh electric two-wheelers in India, the company has been delivering sustainable travel solutions over the past 15 years and counting & has played a crucial role in developing and promoting the EV market in the country.

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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