

REF:NS:SEC:

3rd April, 2017

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: **Company Statement Re: Supreme Court order banning the sale of BS-III Vehicles**

This has reference to the letter bearing Reference NS:SEC: dated 30th March, 2017 on the captioned subject wherein a Statement was issued by the Company.

In continuation of the above, we would like to inform you that the total inventory of BS-III Vehicles that the Company had before the Supreme Court verdict was worth little over Rs.2,000 crores and the Company has been able to remove more than half of it at a discount of upto 15 percent. The Company and industry has incurred a loss because of the heavily discounted sale that it had to do on March 30th and 31st, 2017.

The Company still has an inventory of approximately 18,000 BS-III vehicles (two wheelers to trucks). The Company may be able to export some of these vehicles which will not incur much of a cost; and convert some of these vehicles to BS-IV, which will have a cost of as little as Rs.3,000-4,000 for some of the Small Commercial Vehicles to as much as Rs.2,00,000 for HCVs. Some of the vehicles can neither be exported nor converted to BS-IV.

Kindly take the same on record and acknowledge receipt.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



 NARAYAN SHANKAR
COMPANY SECRETARY