

REF:NS:SEC:  
21<sup>st</sup> October, 2021

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: Intimation – Details of Litigation(s) as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Update on the long-drawn Central Excise Demand pertaining to classification of Commander range of vehicles**

Dear Sirs,

The Company in the year 2005 had intimated stock exchanges that it had been served with an order from the Office of the Commissioner of Central Excise (Adjudication), Mumbai for payment of a total of Rs 2160.30 million as differential duty and Rs 880.80 million as penalty under the Central Excise Act.

This was primarily on account of the dispute the Company had with the Excise Department during the years 1991-96 pertaining to classification of Commander range of vehicles as 10-seater under Central Excise Tariff Entry 8702.

The Company in 2009 had further intimated the Stock Exchanges about rejection of its appeal by CESTAT (Appellate Authority) and that the Company is in the process of filing the appeal with the Supreme Court. Thereafter the Company paid Rs. 40 crores, under protest, and challenged the matter in the honourable Supreme Court, which directed that a larger bench should be constituted to decide the issue.

The Company hereby informs that in the fresh Adjudication proceedings conducted by the Commissioner, CGST, Nashik, on the directions of Larger Bench of Tribunal & Supreme Court, the Company has received an order, wherein, the proposal in the Show Cause Notices ('SCNs') to demand duty/penalty/interest from the company has been completely dropped.

**Thus, the said order has totally discharged the notices and the demand for Rs. 337 crores in its entirety. The Company would be entitled to a refund of Rs 40 crores. The Company is also carrying Contingent liability to the tune of approx. Rs. 781 crores in its books for this case, which can now be deleted. The Company believes that it has strong case on merits should the Central GST and Central Excise department prefer an appeal against the above order of the Commissioner.**

**We are giving the details of development in relation to the proceedings, as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 in Annexure A.**

**Copies of the screenshots of intimation made to BSE and NSE of the disclosure dated 6<sup>th</sup> April, 2005 and the letter dated 10<sup>th</sup> December, 2009 are attached as Annexure B.**

**Yours faithfully,  
For MAHINDRA & MAHINDRA LIMITED**



**NARAYAN SHANKAR  
COMPANY SECRETARY**

**Encl: a/a**

## Annexure A

Sr. No	Regularly till the litigation is concluded or dispute is resolved:	
(a)	<p>the details of any change in the status and / or any development in relation to such proceedings;</p>	<p>The Company in the year 2005 was served with an order from the Office of the Commissioner of Central Excise (Adjudication), Mumbai for payment of a total of Rs 2160.30 million as differential duty and Rs 880.80 million as penalty under the Central Excise Act.</p> <p>This was primarily on account of the dispute the Company had with the Excise Department during the years 1991-96 pertaining to classification of Commander range of vehicles as 10-seater under Central Excise Tariff Entry 8702.</p> <p>The appeal of the Company was rejected by CESTAT (Appellate Authority) in 2009. Thereafter the Company paid Rs. 40 crores, as interim payment (under protest), and challenged the matter in the honourable Supreme Court, which directed that a larger bench should be constituted to decide the issue.</p> <p>The Company hereby informs that in the fresh Adjudication proceedings conducted by the Commissioner, CGST, Nashik, on the directions of Larger Bench of Tribunal &amp; Supreme Court, the Company has received an order, wherein, the proposal in the Show Cause Notices (“SCNs”) to demand duty/penalty/interest from the company has been completely dropped.</p> <p>Thus, the said order has totally discharged the notices and the demand for Rs. 337 crores in its entirety. The Company would be entitled to a refund of Rs 40 crores.</p> <p>The Company is also carrying Contingent liability to the tune of approx. Rs. 781 crores in its books for this case, which can now be deleted.</p> <p>The Company believes that it has strong case on merits should the Central GST and Central Excise department prefer an appeal against the above order of the Commissioner.</p>

<b>Sr. No</b>	<b>Regularly till the litigation is concluded or dispute is resolved:</b>	
(b)	in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings.	Not applicable
(c)	in the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the Company.	Not applicable

Screenshots of the Disclosures dated 6<sup>th</sup> April 2005 made by M&M on BSE and NSE

NSE:

The screenshot shows the NSE website interface. The browser address bar displays the URL: nseindia.com/companies-listing/corporate-filings-announcements?symbol=M%26M&tabIndex=equity. The NSE logo is visible in the top left, and the Nifty50 index is shown in the top right with a value of 18,266.60 and a change of -152.15 (-0.83%). The main content area displays a table of corporate filings. The first entry is for Mahindra & Mahindra Limited, dated 06-Apr-2005 00:00:00. The subject is 'Miscellaneous' and the details describe a Central Excise (Adjudication) order for payment of duty and penalty. The second entry is for J Sagar Associates, dated 06-Apr-2005 00:00:00, with the subject 'Reg 7(1A) -SEBI (Substantial Acq of)'. A sidebar on the left contains various menu items like 'Corporate Governance', 'Financial Results', and 'Insider Trading'. The bottom of the page features navigation tabs for 'FOR INVESTORS', 'FOR CORPORATES', and 'FOR MEMBERS'.

SYMBOL	COMPANY NAME	SUBJECT	DETAILS	ATTACHMENT	BROADCAST DATE/TIME
M&M	Mahindra & Mahindra Limited	Miscellaneous	Mahindra & Mahindra Ltd. has informed the Exchange that the Company has been served with an order from the Office of The Commissioner of Central Excise (Adjudication), Mumbai for payment of a total of Rs 216.03 crores as differential duty and Rs 88.08 crores as penalty under the Central Excise Act. The Company has further informed that this is primarily on account of the dispute the Company had with the Excise Department during the years 1991-96 pertaining to classification of Commander range of vehicles as 10-seater under Central Excise Tariff Entry 8702. Further details as issued by the Company regarding the same shall be available on the NSE website ( <a href="http://www.nseindia.com">http://www.nseindia.com</a> ) under: Corporates > Latest Announcements and on the Extranet Server (/Common/CorporateAnnouncements). <a href="#">Read Less</a>	-	06-Apr-2005 00:00:00
M&M	Mahindra & Mahindra Limited	Reg 7(1A) -SEBI (Substantial Acq of)	J Sagar Associates has informed the Exchange that their Client Aranda	-	06-Apr-2005 00:00:00

## BSE:

The screenshot displays a web browser window with the URL [bseindia.com/stock-share-price/mahindra--mahindra-ltd/mm/500520/corp-announcements/](http://bseindia.com/stock-share-price/mahindra--mahindra-ltd/mm/500520/corp-announcements/). The page shows a corporate announcement for Mahindra & Mahindra Ltd. (Security Code: 500520) dated 06-04-2005 at 10:41:03. The announcement details a payment order for differential duty and penalty under the Central Excise Act, totaling Rs 2160.30 million for differential duty and Rs 880.80 million for penalty. The text explains the dispute over the classification of 10-seater vehicles under Central Excise Tariff Entry 8702 and the company's stance on the matter.

**M&M receives order for payment of differential duty & penalty under Central Excise Act**

Security Code	Company
500520	Mahindra & Mahindra Ltd

Exchange Disseminated Time 06-04-2005 10:41:03

Mahindra & Mahindra Ltd (M&M) has informed BSE that the Company has been served with an order from the Office of The Commissioner of Central Excise (Adjudication), Mumbai for payment of a total of Rs 2160.30 million as differential duty and Rs 880.80 million as penalty under the Central Excise Act.

This is primarily on account of the dispute the Company had with the Excise Department during the years 1991-96 pertaining to classification of Commander range of vehicles as 10-seater under Central Excise Tariff Entry 8702.

Whilst this classification was prima facie accepted by the jurisdictional authorities, the Excise Department subsequently disputed the classification on the ground that the 10-seater criteria were not met under the Motor Vehicles Act and Rules and demanded differential duty.

The Department's stand of classifying Commander under Tariff Entry 8703 attracting higher rate of excise duty was challenged by the Company by writ petitions before the Hon'ble High Court of Bombay and the High Court unconditionally stayed further proceedings in April 1993.

The High Court recently, without pronouncing on the merits, remanded these matters to the Excise authorities for adjudication and the Company has now been served with the captioned Order.

The Company is of the view that the Excise demand is unsustainable as it is contrary to the findings of two Excise Commissioners, besides being contrary to the certificate issued by The Automotive Research Association of India, an independent certifying agency.

The Company has always acted in an entirely bonafide and transparent manner and in compliance with laws. The Company would be contesting the issue before the appropriate forum and strongly believes and has also been advised that its stand will be upheld.

Accordingly the Company does not expect any liability on this account as it believes and has been advised that it had correctly classified the vehicles in question as 10 seaters and appropriate duty has been paid by the Company.

**Mahindra & Mahindra Ltd.**Mahindra Towers, Worli,  
Mumbai 400 018, India.

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Fax : +91 (022) 2491 5890

Ref: NS: SEC:  
10<sup>th</sup> December, 2009

The Secretary  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400001.

Dear Sir,

**Sub: Central Excise Demand**

This is to inform you that an appeal filed by the Company in respect of the Excise classification of the Commander vehicles has been rejected by the Hon'ble Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai. The appeal was against the demand made on the Company for payment of differential excise duty of Rs.216.03 crores and penalty of Rs.88.08 crores in connection with the classification of Commander range of vehicles as 10 seater during the years 1991-1996.

The Company is yet to receive the copy of the said Order. The Company believes that it has a strong case on merits and would be filing an appeal to the Hon'ble Supreme Court in due course. It may be mentioned that the classification of the vehicle as claimed by the Company was on an earlier occasion upheld by the Hon'ble CESTAT in favor of the Company against which the Department had preferred an appeal to the Hon'ble Supreme Court.

Kindly take the above on record.

Thanking you,

Yours faithfully,  
For MAHINDRA & MAHINDRA LIMITED

NARAYAN SHANKAR  
COMPANY SECRETARY

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