

# TAFE reaches settlement with US' AGCO, will retain Massey Ferguson brand in India

**Our Bureau**  
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Tractor industry giant Tractors and Farm Equipment Ltd (TAFE) has reached a settlement with American agriculture machinery firm AGCO on all issues relating to branding, shareholding and corporate governance.

According to a statement from TAFE, under the settlement, the ownership of Massey Ferguson brand will rest with TAFE as the sole and exclusive owner for India, Nepal and Bhutan.

## SHARE BUY BACK

Further, TAFE will buy back AGCO's 20.7 per cent stake in TAFE for a consideration of \$260 million. This will make TAFE a wholly-owned



TAFE will buy back AGCO's shares in TAFE, which is 20.7 per cent of its equity, for \$260 million

subsidiary of the Amalgamations Group.

On the other hand, TAFE will retain its 16.3 per cent shareholding in AGCO and not exceed it, while participating in AGCO's future buy-back programmes.

"TAFE will remain a long-term investor in AGCO through planned periodic interactions with AGCO leadership," the TAFE statement said. "All ongoing legal pro-

ceedings will be irrevocably and unconditionally withdrawn. A consent decree will be sought in the three suits relating to Massey Ferguson brand currently pending before the Madras High Court," the statement said.

## TAFE-AGCO DISPUTE

The dispute between TAFE and AGCO, which dates back to April 2024, escalated in September 2024, when AGCO announced the termination of its agreements with TAFE, including the brand licence for Massey Ferguson. In response to this, TAFE filed a contempt petition, claiming that AGCO's action violated previous court orders.

"As we step into a new era in TAFE's growth story, we recognise and cherish the

long partnership we've had with AGCO, and continue to support AGCO as an engaged shareholder," Mallika Srinivasan, Chairman and Managing Director, TAFE, said. "TAFE and Massey Ferguson have been synonymous in the minds of the Indian customers for over 65 years. We re-dedicate our commitment to the transformation of Indian agriculture through our innovative products, solutions and service to the farming community in India," she added.

The agreements will be effective after both parties complete certain governmental and other processes in India relating to repurchase of the shares held by AGCO in TAFE. AGCO will also file the agreements with the US SEC.