

29<sup>th</sup> January 2024

**To**  
**BSE Limited (Scrip Code: 532720)**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**National Stock Exchange of India Ltd. (Symbol: M&MFIN)**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, "G" Block,  
Bandra - Kurla Complex, Bandra (East),  
Mumbai – 400 051

Dear Sirs/Madam,

**Sub: Allotment of Debentures aggregating to Rs. 868 Crores.**

Ref: Our intimation dated Tuesday, 23<sup>rd</sup> January 2024 on offer and issuance of Secured Non-Convertible Debentures on private placement basis

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In compliance with the provisions of Regulation 30(2) read with Schedule III and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that basis the successful bidding done at the BSE Bond-EBP Platform, the Committee of Directors has today approved the allotment of 8.25%, 86,800 Secured, Rated, Listed, Redeemable Non-convertible Debentures ("Debentures") of Rs. 100,000 each for cash at par, aggregating to Rs. 868 Crores, on private placement basis to the identified investors. The Debentures are proposed to be listed on the Wholesale Debt Market Segment of BSE Limited.

The meeting of the Committee of Directors commenced at 12:25 p.m. (IST) and concluded at 12:40 p.m. (IST). The Final Term Sheet with details of the issue is enclosed herewith as **Annexure I**.

This intimation is also being uploaded on the Company's website at <https://www.mahindrafinance.com/investor-relations/regulatory-filings>.

Kindly take the same on record.

Thanking you,  
For **Mahindra & Mahindra Financial Services Limited**

**Brijbala Batwal**  
Company Secretary

**Annexure I**

**Term Sheet**

**25<sup>th</sup> January, 2024**

The terms & conditions of our letter of Offer for private placement of NCD facilities, subject to approval of our Committee of Directors.

**Bidding Details**

Issue Composition	Base Issue – 500 Crores Green Shoe – 2500 Crores
Anchor Portion Details	No -
Interest rate parameter	Fixed Coupon
Bidding Opening & Closing (T)	25 <sup>th</sup> January, 2024
Minimum Bid Lot	100 Debenture of Rs.1,00,000/ each
Manner of Bidding	Open Bidding
Manner of Allotment	Uniform yield allotment
Manner of Settlement	Pay in shall be done through Clearing Corporation of BSE i.e. Indian Clearing Corporation Limited “ICCL”
Settlement Cycle	T+1 day, T being the day of bidding

**Terms**

Security Name	8.25% - Mahindra & Mahindra Financial Services Limited - 25 March 2027
Issue Amount Allotted	Rs.868 Crores
Issuer	Mahindra & Mahindra Financial Services Limited
Type of Instrument	Secured, Rated, Listed, Redeemable Non-convertible Debentures
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private Placement
Eligible Investors	Please refer paragraph “Who can apply” of the Shelf Placement Memorandum dated January 11, 2024
Trustees	Axis Trustee Services Ltd.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing	To be listed on BSE Limited, as per the applicable timelines i.e. (T + 3 working days, T being issue closing date) as mentioned in the SEBI circular SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 (Updated as on July 07, 2023)  In case of delay in listing of securities issued on privately placement basis beyond the timelines specified above, the issuer shall pay penal interest of 1% p.a. over the coupon/ dividend rate for the period of

	delay to the investor (i.e. from the date of allotment to the date of listing)
Rating of the Instrument	“CRISIL AAA / Stable” rating by CRISIL Ratings Limited “IND AAA / Stable” rating by India Ratings & Research Private Limited
Issue Size	Rs.500 Crores plus Green shoe upto Rs.2500 Crores
Option to retain oversubscription (Amount)	Retain green shoe option of Rs.368 Crores
Objects of the Issue	For the purpose of financing, repayment of dues of other financial institutions / Banks or for long-term working capital.
in case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a ‘group company’.	The proceeds of the issue will not be utilized for providing loans to any group company
Details of the utilization of the Proceeds	The funds raised through this issue will be utilized for various financing activities, onward lending, to repay our existing indebtedness, working capital and general corporate purposes (such as investments for liquidity and statutory requirements, capital expenditure, revenue expenditure) of the Company
Coupon Rate	8.25% p.a.
Step Up/Step Down Coupon Rate 1	Not Applicable
Coupon Payment Frequency	Annually & on Maturity
Coupon payment dates	29 <sup>th</sup> January every year & on maturity i.e. 25 <sup>th</sup> March 2027. Refer Annexure A
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not Applicable
Day Count Basis	Actual/Actual i.e. The interest shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days. In case of leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days for a whole one year period. (SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 - Updated as on July 07, 2023)
Interest on Application Money	Not Applicable
Default Interest Rate	In case of default in payment of interest and/or principal redemption on the due dates, additional interest @ 2% p.a. over the documented rate will be payable by the Company for the defaulting period.
Tenor	3 years and 55 days from the Deemed Date of Allotment
Redemption Date	25 <sup>th</sup> March, 2027
Redemption Amount	Rs. 1,00,000/- per debenture
Redemption Premium /Discount	Not Applicable
Issue Price	Rs. 1,00,000/- per debenture

Discount at which security is issued and the effective yield as a result of such discount (In case of Zero Coupon Bond).	Not Applicable
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs.1,00,000/- per Debenture
Minimum Application and in multiples of Debt securities thereafter	100 Debentures and in multiples of 1 thereafter
Issue Timing 1. Issue/Bid Opening Date 2. Issue/Bid Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	25 <sup>th</sup> January 2024 25 <sup>th</sup> January 2024 29 <sup>th</sup> January 2024 29 <sup>th</sup> January 2024
Issuance mode of instrument	The Issuer will issue the debentures in dematerialized form.
Settlement mode of the Instrument	Through RTGS / NEFT / Fund Transfer. Refer to Settlement details.
Depository	NSDL & CDSL
Disclosure of Interest /Dividend / redemption dates	Refer to Annexure A
Record Date	The record date for the purpose of determination of the persons entitled to receive interest / Principal in respect of the debentures shall be 14 calendar days before the date of Interest / principal payment.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	The covenants mentioned in the Trust Deed will be executed within the time frame prescribed as per applicable law. <b>Default in Payment:</b> In case of default in payment of Coupon and/or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period. <b>Delay in Listing:</b> In case of delay in listing, the Company will pay penal interest @ 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing).
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security,	Debentures shall be secured by way exclusive charge in favour of the Debenture Trustee on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and Book debts to the extent of 100% of Debenture outstanding. The security shall be created on assets which are free from any encumbrances. The Company will create appropriate security in favour of the debenture trustee within the time frame prescribed as per applicable law.

minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer document/ Information Memorandum.	While the NCDs are secured to the tune of 100% of the principal and interest amount or as per the terms of information Memorandum in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained. Further, the NCDs shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc.as applicable, or is independently verifiable by the debenture trustee
Transaction Documents	Shelf Placement Memorandum, Term Sheet, Trust Deed, Board Resolution, Rating Rationale/ Rating Letter, Trustee Consent Letter, BSE In-principal Approval & Application Form
Conditions Precedent to Disbursement	<ol style="list-style-type: none"> <li>1. The Issuer shall obtain the in-principle approval for listing on the WDM segment of the Stock Exchange;</li> <li>2. The Issuer shall obtain the required due diligence certificate from the trustee.</li> </ol>
Condition Subsequent to Disbursement	<ol style="list-style-type: none"> <li>1. Demat credit in the account(s) of the allottees</li> <li>2. Execution of Debenture trust Deed</li> <li>3. Filing of the return of allotment within the timelines specified under the Act and the rules made thereunder;</li> <li>4. Completion of listing of the debentures on the WDM segment of the Stock Exchange;</li> </ol>
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>Please refer paragraph “Events of Default” of the Shelf Placement Memorandum dated January 11, 2024</p> <p>Manner of Voting/ conditions of joining Inter Creditor Agreement – Manner of Voting shall be as detailed in the Inter Creditor Agreement which shall be executed in terms of SEBI (Debenture Trustee) Regulations 1993, Regulation 15, Sub Regulation 7, Subject to the approval of Debenture holders and conditions as may be specified by SEBI from time to time, the debenture trustee, on behalf of debenture holder, may enter into inter creditor agreements provided under the framework specified by RBI.</p>
Creation of recovery expense fund	The company has created a recovery expense fund in the manner as specified by the Securities and Exchange Board of India as on 26th February 2021 in favour of BSE limited and the same has been informed to the Debenture Trustee. The recovery expense fund shall be utilized for the purposes and in the manner as may be required under the applicable circulars / directions / notices / guidelines / regulations issued by SEBI from time to time.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Conditions for breach of covenants shall be mentioned in the Trust Deed which will be executed within the time frame prescribed as per applicable law.
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee	As defined in the debenture trust deed
Risk factors pertaining to the issue	Please refer paragraph “Risk factors” of the Shelf Placement Memorandum dated January 11, 2024

Governing Law and Jurisdiction	Please refer paragraph “Governing Law and Jurisdiction” of the Shelf Placement Memorandum dated January 11, 2024
Business Day Convention	If any interest payment date falls on a holiday, the payment may be made on the following working day. If any principal payment date falls on a holiday, principal will be payable on the previous working day. Working days shall be all days on which money market is functioning in Mumbai excluding non- working Saturdays or Sundays or a holiday of commercial banks in Mumbai or a public holiday in India. In case of failure of RBI’s system for RTGS / NEFT payment, the same will be made on the next business day. The Company will not be liable to pay any additional interest on account of same. The Coupon payment convention will be as per SEBI Circular - SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 (Updated as on July 07, 2023).
Consolidation of ISINs	Company reserves right to make multiple issuances under the same ISIN. Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium /par/discount as the case may be in line with SEBI Circular SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021(Updated as on July 07, 2023).
Validity	The offer is valid till 29 <sup>th</sup> January, 2024. However, the Company reserves the right to change / modify the terms at any time without any notice during the period of this offer.

**Annexure -A**

**Illustration of Bond Cash Flows for Series AA2024**

Cash Flows	Dates	No. of days in Coupon period	Amount per Debenture (Rs.)
1st Coupon	Wednesday, 29 January, 2025	366	8,250.0000
2nd Coupon	Thursday, 29 January, 2026	365	8,250.0000
3rd Coupon	Friday, 29 January, 2027	365	8,250.0000
4th Coupon	Thursday, 25 March, 2027	55	1,243.1507
Principal	Thursday, 25 March, 2027		1,00,000.0000

**Note :**

If the interest payment date falls on a holiday, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. The interest payment should be rounded to nearest rupee. If the maturity date falls on a holiday, redemption and accrued interest are payable on the immediately previous business day. The Coupon payment convention will be as per SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 (Updated as on July 07, 2023)