

15th September 2023

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, 5th Floor, Plot No. C/1, "G" Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai – 400 051

Dear Sirs/Madam,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

Pursuant to the provisions of Regulation 30(2) read with Schedule III and other applicable provisions of the SEBI Listing Regulations, we hereby inform you that a meeting of the Committee of Directors, as authorized by the Board of Directors of the Company, was held today, i.e., on Friday, 15th September 2023 which concluded at 12:10 p.m. (IST), wherein the Committee has approved allotment of non-convertible debentures as per the details given in Annexure 'I'.

The extract of the Term Sheet/Letter of Offer in Annexure 'II' is also enclosed herewith.

This intimation is also being uploaded on the Company's website at <https://www.mahindrafinance.com/investors/disclosures-reg-46-62/investor-information#corporate-filings>.

Kindly take the same on record.

Thanking you,

For Mahindra & Mahindra Financial Services Limited

**Brijbala Batwal
Company Secretary**

Encl: As above

Annexure 'I'

| Issuance of Debt Securities | | | | | | | | | | | | | | | | | | | | | | | |
|------------------------------------|---|------------------------------|--|------------|------|------------------------------|----------------------------|------------------------|----------------------------|-----|----------|------------------------|----------------------------|-----|----------|------------------------|-----------------------------|-----|----------|-----------|-----------------------------|--|-------------|
| Sr. No. | Requirements of disclosure | Details | | | | | | | | | | | | | | | | | | | | | |
| (i) | Size of the issue | : | Series AM2023 - Rs. 345 Crores issued at face value of Rs. 1,00,000/- per debenture | | | | | | | | | | | | | | | | | | | | |
| (ii) | Whether proposed to be listed? If yes, name of the stock exchange(s) | : | Yes Wholesale Debt Market Segment of BSE Limited. | | | | | | | | | | | | | | | | | | | | |
| (iii) | Tenure of the instrument | : | 3 years from the Deemed Date of Allotment | | | | | | | | | | | | | | | | | | | | |
| | Date of allotment and | : | 15 th September 2023 | | | | | | | | | | | | | | | | | | | | |
| | Date of maturity | : | 15 th September 2026 | | | | | | | | | | | | | | | | | | | | |
| | Pay-in-amount | : | Rs. 1,00,000/- per debenture | | | | | | | | | | | | | | | | | | | | |
| (iv) | Coupon/interest offered | : | Fixed Coupon : 7.99% p.a. | | | | | | | | | | | | | | | | | | | | |
| (v) | Schedule of payment of Coupon/interest and principal | : | <table border="1"> <thead> <tr> <th>Cash Flows</th> <th>Date</th> <th>No. of days in Coupon period</th> <th>Amount per Debenture (Rs.)</th> </tr> </thead> <tbody> <tr> <td>1st Coupon</td> <td>Sunday, 15 September, 2024</td> <td>366</td> <td>7,990.00</td> </tr> <tr> <td>2nd Coupon</td> <td>Monday, 15 September, 2025</td> <td>365</td> <td>7,990.00</td> </tr> <tr> <td>3rd Coupon</td> <td>Tuesday, 15 September, 2026</td> <td>365</td> <td>7,990.00</td> </tr> <tr> <td>Principal</td> <td>Tuesday, 15 September, 2026</td> <td></td> <td>1,00,000.00</td> </tr> </tbody> </table> | Cash Flows | Date | No. of days in Coupon period | Amount per Debenture (Rs.) | 1 st Coupon | Sunday, 15 September, 2024 | 366 | 7,990.00 | 2 nd Coupon | Monday, 15 September, 2025 | 365 | 7,990.00 | 3 rd Coupon | Tuesday, 15 September, 2026 | 365 | 7,990.00 | Principal | Tuesday, 15 September, 2026 | | 1,00,000.00 |
| Cash Flows | Date | No. of days in Coupon period | Amount per Debenture (Rs.) | | | | | | | | | | | | | | | | | | | | |
| 1 st Coupon | Sunday, 15 September, 2024 | 366 | 7,990.00 | | | | | | | | | | | | | | | | | | | | |
| 2 nd Coupon | Monday, 15 September, 2025 | 365 | 7,990.00 | | | | | | | | | | | | | | | | | | | | |
| 3 rd Coupon | Tuesday, 15 September, 2026 | 365 | 7,990.00 | | | | | | | | | | | | | | | | | | | | |
| Principal | Tuesday, 15 September, 2026 | | 1,00,000.00 | | | | | | | | | | | | | | | | | | | | |
| (vi) | Charge/Security, if any, created over the assets | : | <p>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.</p> <p>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</p> | | | | | | | | | | | | | | | | | | | | |

| | | | |
|--------|---|---|---|
| | | | Companies or CERSAI or Depository etc.as applicable, or is independently verifiable by the debenture trustee |
| (vii) | Special rights/interest/privileges attached to the instruments and changes thereof | : | Not Applicable |
| (viii) | Delay in payment of interest/principal amount for a period of more than three months from the due date or default in payment of interest/principal | : | 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. |
| (ix) | Details of any letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and/or the assets along with its comments thereon, if any. | : | N.A. |
| (x) | Details of redemption of Debentures | : | Redemption Date: 15 th September 2026 Redemption Amount: Rs. 1,00,000/- per debenture |
| (xi) | Any cancellation or termination of proposal for issuance of securities including reasons thereof | : | N.A. |

For Mahindra & Mahindra Financial Services Limited

Brijbala Batwal
Company Secretary

Annexure 'II'**14th September, 2023**

Dear Sir/ Madam,

With reference to our discussion, we hereby propose our Letter of Offer for private placement of NCD facilities on following terms & conditions, subject to approval of our Committee of Directors.

Bidding Details

| | |
|-------------------------------|--|
| Issue Composition | Base Issue – 175 Crores Green Shoe – 875 Crores |
| Anchor Portion Details | No - |
| Interest rate parameter | Fixed Coupon |
| Bidding Opening & Closing (T) | 14 th September, 2023 |
| 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 | 7.99% - Mahindra & Mahindra Financial Services Limited – 15 September 2026 |
| Issue Amount Allotted | Rs.345 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 July 21, 2023 |
| 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 implies bidding 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 |
| Issue Size | Rs.175 Crores plus Green shoe upto Rs.875 Crores |
| Option to retain oversubscription (Amount) | Retain green shoe option up to Rs.170 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 | 7.99% p.a. |
| Step Up/Step Down Coupon Rate 1 | Not Applicable |
| Coupon Payment Frequency | Annually |
| Coupon payment dates | 15 th September every year & on maturity i.e. 15 th September 2026. 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. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days for the entire year, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly. (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 from the Deemed Date of Allotment |
| Redemption Date | 15 th September, 2026 |
| 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 | 14 th September 2023 |
| 2. Issue/Bid Closing Date | 14 th September 2023 |
| 3. Pay-in Date | 15 th September 2023 |
| 4. Deemed Date of Allotment | 15 th September 2023 |
| 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, | The covenants mentioned in the Trust Deed will be executed within the time frame prescribed as per applicable law. Default in Payment: |

| | |
|---|---|
| <p>accelerated payment clause, etc.)</p> | <p>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. Delay in Listing: 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).</p> |
| <p>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, 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.</p> | <p>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.</p> <p>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</p> |
| <p>Transaction Documents</p> | <p>Shelf Placement Memorandum, Term Sheet, Trust Deed, Board Resolution, Rating Rationale/ Rating Letter, Trustee Consent Letter, BSE In-principal Approval & Application Form</p> |
| <p>Conditions Precedent to Disbursement</p> | <ol style="list-style-type: none"> 1. The Issuer shall obtain the in-principle approval for listing on the WDM segment of the Stock Exchange; 2. The Issuer shall obtain the required due diligence certificate from the trustee. |
| <p>Condition Subsequent to Disbursement</p> | <ol style="list-style-type: none"> 1. Demat credit in the account(s) of the allottees 2. Execution of Debenture trust Deed 3. Filing of the return of allotment within the timelines specified under the Act and the rules made thereunder; 4. Completion of listing of the debentures on the WDM segment of the Stock Exchange; |

| | |
|---|---|
| <p>Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)</p> | <p>Please refer paragraph “Events of Default” of the Shelf Placement Memorandum dated July 21, 2023</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> |
| <p>Creation of recovery expense fund</p> | <p>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.</p> |
| <p>Conditions for breach of covenants (as specified in Debenture Trust Deed)</p> | <p>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.</p> |
| <p>Provisions related to Cross Default Clause</p> | <p>Not Applicable</p> |
| <p>Role and Responsibilities of Debenture Trustee</p> | <p>As defined in the debenture trust deed</p> |
| <p>Risk factors pertaining to the issue</p> | <p>Please refer paragraph “Risk factors” of the Shelf Placement Memorandum dated July 21, 2023</p> |
| <p>Governing Law and Jurisdiction</p> | <p>Please refer paragraph “Governing Law and Jurisdiction” of the Shelf Placement Memorandum dated July 21, 2023</p> |
| <p>Business Day Convention</p> | <p>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.</p> <p>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).</p> |

| | |
|------------------------|--|
| 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 15 th September, 2023. 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 AM2023

| Cash Flows | Dates | No. of days in Coupon period | Amount per Debenture (Rs.) |
|------------------------|-----------------------------|------------------------------|----------------------------|
| 1 st Coupon | Sunday, 15 September, 2024 | 366 | 7,990.00 |
| 2 nd Coupon | Monday, 15 September, 2025 | 365 | 7,990.00 |
| 3 rd Coupon | Tuesday, 15 September, 2026 | 365 | 7,990.00 |
| Principal | Tuesday, 15 September, 2026 | | 1,00,000.00 |

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. In case the maturity date falls on a holiday, the payment will be made on the immediately preceding working day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. 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)