

16<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. 300 Crores.**

Ref: Our intimation dated Thursday, 11<sup>th</sup> January 2024 on offer and issuance of Subordinated 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 8.35%, 30,000 Unsecured, Rated, Listed, Redeemable Non-convertible Subordinated (Tier II) Debentures ("Debentures") of Rs. 100,000 each for cash at par, aggregating to Rs. 300 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 11:20 a.m. (IST) and concluded at 11.40 a.m. (IST). The Final Term Sheet 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**

**15<sup>th</sup> January 2024**

Dear Sir/ Madam,

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 – 200 Crores Green Shoe – 300 Crores
Anchor Portion Details	No
Interest rate parameter	Fixed Coupon
Bidding Open & Closing Date (T)	15 <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	8.35% - Mahindra & Mahindra Financial Services Limited –16 Jan 2034
Issue Amount Allotted	Rs.300 Crores
Issuer	Mahindra & Mahindra Financial Services Limited
Type of Instrument	Unsecured, Rated, Listed, Redeemable Non-convertible Subordinated (Tier II) Debentures
Nature of Instrument	Unsecured
Seniority	Subordinated
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.200 Crores plus green shoe option upto Rs.300 Crores
Option to retain oversubscription (Amount)	Retain green shoe option of Rs.100 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	8.35 % p.a.
Step Up/Step Down Coupon Rate 1	Not Applicable
Coupon Payment Frequency	Annually
Coupon payment dates	16 <sup>th</sup> January every year. 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 yearl, 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	10 years from the Deemed Date of Allotment
Redemption Date	16 <sup>th</sup> January, 2034
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 Debenture 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	15 <sup>th</sup> January 2024 15 <sup>th</sup> January 2024 16 <sup>th</sup> January 2024 16 <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, 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	The current issue being unsecured, no security shall be provided.

disclosed in the Offer document/ Information Memorandum.	
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	The Issuer shall obtain the in-principle approval for listing on the WDM segment of the Stock Exchange; The Issuer shall obtain the required due diligence certificate from the trustee.
Condition Subsequent to Disbursement	Demat credit in the account(s) of the allottees Execution of Debenture trust Deed Filing of the return of allotment within the timelines specified under the Act and the rules made thereunder; Completion of listing of the debentures on the WDM segment of the Stock Exchange;
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer paragraph “Events of Default” of the Shelf Placement Memorandum dated January 11, 2024  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.
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 26 <sup>th</sup> 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).
Mandatory Regulatory Clause	As per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time, Clause 5.1.32-“Subordinated debt” means an instrument, which is fully paid up, is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of the non-banking financial company.
Validity	The offer is valid till 16 <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 AAA2024**

Cash Flows	Date	No. of days in Coupon period	Amount per Debenture (Rs.)
1 <sup>st</sup> Coupon	Thursday, 16 January, 2025	366	8,350.00
2 <sup>nd</sup> Coupon	Friday, 16 January, 2026	365	8,350.00
3 <sup>rd</sup> Coupon	Saturday, 16 January, 2027	365	8,350.00
4 <sup>th</sup> Coupon	Sunday, 16 January, 2028	365	8,350.00
5 <sup>th</sup> Coupon	Tuesday, 16 January, 2029	366	8,350.00
6 <sup>th</sup> Coupon	Wednesday, 16 January, 2030	365	8,350.00
7 <sup>th</sup> Coupon	Thursday, 16 January, 2031	365	8,350.00
8 <sup>th</sup> Coupon	Friday, 16 January, 2032	365	8,350.00
9 <sup>th</sup> Coupon	Sunday, 16 January, 2033	366	8,350.00
10 <sup>th</sup> Coupon	Monday, 16 January, 2034	365	8,350.00
Principal	Monday, 16 January, 2034		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)

**Settlement details**

- Successful Bidders to transfer funds from bank account(s) registered with BSE BOND to the bank account of ICCL to the extent of funds pay-in obligation on or before 10:30 hours on 16<sup>th</sup> January 2024
- The participants must ensure to do the funds pay-in from their same bank account which is updated by them in the BSE BOND (EBP) platform while placing the bids.
- The Designated Bank Accounts of ICCL are as under:

**ICICI Bank :**

Beneficiary Name : INDIAN CLEARING CORPORATION LTD  
Account Number : ICCLEB  
IFSC Code : ICIC0000106  
Mode : NEFT/RTGS

**YES Bank :**

Beneficiary Name : INDIAN CLEARING CORPORATION LTD  
Account Number : ICCLEB  
IFSC Code : YESB0CMSNOC  
Mode : NEFT/RTGS

**HDFC Bank :**

Beneficiary Name : INDIAN CLEARING CORPORATION LTD  
Account Number : ICCLEB  
IFSC Code : HDFC0000060  
Mode : NEFT/RTGS

- For each issue, separate funds payment instructions should be given by the participants.
- Funds payment for each issue has to be initiated separately. The funds should not be clubbed for two different issues settling on the same day.