

27th September 2022

To

BSE Limited (Security 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 together with Para A of Part A of Schedule III 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 Tuesday, 27th September 2022 from 11:30 a.m. to 11:45 a.m., wherein the Committee has approved the allotment of 20,000 Secured Redeemable Non-Convertible Debentures at a Fixed Coupon of 8.00% p.a. (Series AG2022) of the face value of Rs. 10,00,000 each, aggregating to Rs. 2,000 Crores, through private placement.

Details of the said allotment furnished in Annexure 'I' and the extract of the term sheet in Annexure 'II' are enclosed herewith.

This intimation is also being uploaded on the Company's website at <http://www.mahindrafinance.com>.

Kindly take the same on record.

Thanking you,

For Mahindra & Mahindra Financial Services Limited

Brijbala Batwal
Company Secretary and Compliance Officer

Encl: As above

Annexure 'I'

Issuance of Debt Securities						
Sr. No.	Requirements of disclosure	Details				
(i)	Size of the issue	:	Series AG2022 - Rs. 2,000 Crores issued at a face value of Rs. 10,00,000/- 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	:	10 (ten) years from the Deemed Date of Allotment			
	Date of allotment and	:	27 th September, 2022			
	Date of maturity	:	27 th September, 2032			
	Pay -in-amount	:	Rs. 10,00,000/- per debenture			
(iv)	Coupon/interest offered	:	Fixed Coupon – 8.00% p.a.			
(v)	Schedule of payment of Coupon/interest and principal	:	Cash Flows	Date	No. of days in Coupon period	Amount per Debenture (Rs.)
		1 st Coupon	Wednesday, 27-Sep-23	365	80,000.00	
		2 nd Coupon	Friday, 27-Sep-24	366	80,000.00	
		3 rd Coupon	Saturday, 27-Sep-25	365	80,000.00	
		4 th Coupon	Sunday, 27-Sep-26	365	80,000.00	
		5 th Coupon	Monday, 27-Sep-27	365	80,000.00	
		6 th Coupon	Wednesday, 27-Sep-28	366	80,000.00	
		7 th Coupon	Thursday, 27-Sep-29	365	80,000.00	
		8 th Coupon	Friday, 27-Sep-30	365	80,000.00	
		9 th Coupon	Saturday, 27-Sep-31	365	80,000.00	
		10 th Coupon	Monday, 27-Sep-32	366	80,000.00	
		Principal	Monday, 27-Sep-32		10,00,000.00	

(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 125% 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 125% 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>
(vii)	Special rights/interest/privileges attached to the instruments and changes thereof	<p>: All major Financial covenants to the issue mentioned in this Term Sheet and all other covenants mentioned in the Trust Deed will be executed within the time frame prescribed as per applicable law.</p> <p>a) If the rating of instrument is downgraded to “double A minus (AA-)” or below at any time, investors reserves the right to increase the interest rate by upto 25 bps for every notch of downgrade with effect from the date of downgrade.</p> <p>b) In case the rating falls to “A” or below at any time, the investors reserves the right to recall the outstanding principal amount on the aforesaid NCDs along with all other monies/accrued interest due in respect thereof including compensation for all real/notional losses calculated on the basis as it may deem fit.</p>
(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	<p>: 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.</p>
(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	<p>: N.A.</p>

	comments thereon, if any.		
(x)	Details of redemption of Debentures	:	Redemption Date: 27 th September 2032 Premature Redemption: In case the Company fails for any reasons to utilize the proceeds for the Purpose, as specified in the Placement Memorandum, the Debenture Holder(s)/ Beneficial Owner will be entitled to rescind/ avoid the contract on that ground and to call back the money, if any paid towards subscription of the Debentures.
(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 and Compliance Officer

Annexure 'II'**26th September 2022****Series – AG2022****Terms**

Security Name	8.00% - Mahindra & Mahindra Financial Services Limited – 27 September 2032
Issue Amount Allotted	Rs.2000 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 to para “Who Can Apply” of the Shelf Placement Memorandum dated September 12, 2022
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing	The Debentures are proposed to be listed on the WDM segment of the BSE, within 4 (four) trading days from the closure of the issue.
Rating of the Instrument	“IND AAA / Stable” rating by India Ratings & Research Private Limited “CARE AAA ; Stable” rating by Care Ratings Limited
Issue Size	Rs.250 Crores plus green shoe option upto Rs.1750 Crores
Minimum Subscription	10 (Ten) Debentures for INR 10,00,000 (Indian Rupees Ten Lakhs only) and in multiples of 1 (One) thereafter.
Option to retain oversubscription (Amount)	Retain green shoe option of Rs.1750 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' then disclosures shall be made in the applicable format:	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 etc.) of the Company
Coupon Rate	8.00% p.a.
Step Up/Step Down Coupon Rate 1	Not Applicable
Coupon Payment Frequency	Annually
Coupon payment dates	27 th September every year & on maturity i.e. 27 th September, 2032. 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
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 (ten) years from the Deemed Date of Allotment
Redemption Date	27 th September, 2032
Redemption Amount	Rs. 10,00,000/- per debenture
Redemption Premium /Discount	Not Applicable
Premature Redemption	In case the Company fails for any reasons to utilize the proceeds for the Purpose, as specified in the Placement Memorandum, the Debenture Holder(s)/ Beneficial Owner will be entitled to rescind/ avoid the contract on that ground and to call back the money, if any paid towards subscription of the Debentures.
Issue Price	Rs. 10,00,000/- per debenture
Discount at which security is issued and the effective yield as a result of such discount.	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.10,00,000/- per Debenture
Minimum Application and in multiples of Debt securities thereafter	10 (Ten) Debentures and in multiples of 1 (one) thereafter.
Issue Timing	
1. Issue Opening Date	26 th September, 2022
2. Issue Closing Date	26 th September, 2022
3. Pay-in Date	27 th September, 2022
4. Deemed Date of Allotment	27 th September, 2022
Settlement mode of the Instrument	Through RTGS / NEFT / Fund Transfer
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.)	<p>All major Financial covenants to the issue mentioned in this Term Sheet and all other covenants mentioned in the Trust Deed will be executed within the time frame prescribed as per applicable law.</p> <p>a) If the rating of instrument is downgraded to “double A minus (AA-)” or below at any time, investors reserves the right to increase the interest rate by upto 25 bps for every notch of downgrade with effect from the date of downgrade.</p> <p>b) In case the rating falls to “A” or below at any time, the investors reserves the right to recall the outstanding principal amount on the aforesaid NCDs along with all other monies/accrued interest due in respect thereof including compensation for all real/notional losses calculated on the basis as it may deem fit.</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	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 125% of Debenture outstanding. The security shall be created on assets which are free from any encumbrances. The Company will create appropriate security

<p>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>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 125% 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>	<ol style="list-style-type: none"> i. the placement Memorandum; ii. the consent letter from Trustee; iii. the Debenture Trustee Agreement; iv. this Disclosure Document; v. the Tripartite Agreements; vi. the Listing Agreement; vii. the Debenture Trust Deed; viii. the allotment letter of ISIN issued by NSDL/CDSL; ix. letter dated 05th September 2022 India Ratings & Research Private Limited & 30th August 2022 from the CARE Rating Limited; x. all filings with the Registrar of Companies in respect of the security created for the Debentures; any other document as agreed between the Company and Debenture Trustee.
<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 September 12, 2022</p> <p>Manner of Voting/ conditions of joining Inter Creditor Agreement –</p>

	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 th 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
Due Diligence	<p>Due diligence certificate as per the format specified in Schedule IV of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Annexure A of the 5E81 Circular No.SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020 has been appended to this Placement Memorandum and will be submitted to Stock Exchange along with the draft Placement Memorandum.</p> <p>Process of due diligence carried out by the Debenture Trustee due diligence will be carried out as per SEBI (Debenture Trustee) Regulations, 1993 and circulars issued by SEBI from time to time, which broadly includes following:</p> <ul style="list-style-type: none"> • Practicing Chartered Accountant (CA) / firm of CA appointed by the Debenture Trustee will undertake independent due diligence at the Debenture Trustee's behest as per scope provided, regarding Security given for the issue by the Company. • CA will verify and ensure that the asset provided by the Company for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders. • CA will be doing independent due diligence as per information provided by the Company.

	<ul style="list-style-type: none"> • Periodical due diligence will be carried out as per SEBI circulars from time to time as per nature of security provided. • Necessary due diligence certificate will be issued and will be available on Stock Exchanges from time to time for information of Debenture Holders. • As mentioned in the Placement Memorandum, the Debentures are secured to the extent of 125% of the principal and interest amount or as per the terms of Placement Memorandum and the Debenture Trust Deed.
Risk factors pertaining to the issue	Please refer paragraph "Risk factors" of the Shelf Placement Memorandum dated September 12, 2022
Governing Law and Jurisdiction	Please refer paragraph "Governing Law and Jurisdiction" of the Shelf Placement Memorandum dated September 12, 2022
Business Day Convention	<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.</p> <p>The Coupon payment convention will be as per SEBI Circular - SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.</p>
Additional Risk factor	While the debt securities are secured to the tune of 125% of the principal and interest amount or as per the terms of offer document / information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
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/P/CIR/2021/613 dated August 10, 2021

Annexure -A**Illustration of Bond Cash Flows for Series AG2022**

Cash Flows	Date	No. of days in Coupon period	Amount per Debenture (Rs.)
1st Coupon	Wednesday, 27-Sep-23	365	80,000.00
2nd Coupon	Friday, 27-Sep-24	366	80,000.00
3rd Coupon	Saturday, 27-Sep-25	365	80,000.00
4th Coupon	Sunday, 27-Sep-26	365	80,000.00
5th Coupon	Monday, 27-Sep-27	365	80,000.00
6th Coupon	Wednesday, 27-Sep-28	366	80,000.00
7th Coupon	Thursday, 27-Sep-29	365	80,000.00
8th Coupon	Friday, 27-Sep-30	365	80,000.00
9th Coupon	Saturday, 27-Sep-31	365	80,000.00
10th Coupon	Monday, 27-Sep-32	366	80,000.00
Principal	Monday, 27-Sep-32		10,00,000.00

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. 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/P/CIR/2021/613 dated August 10, 2021

Bidding Details

Bidding Open Date (T)	26th September, 2022
Bidding Close Date (T)	26th September, 2022
Minimum Bid Lot	10 Debenture of Rs.10,00,000/ each
Manner of Bidding	Open Bidding
Manner of Allotment	Uniform yield allotment
Mechanism 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

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 27th September 2022
- 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.