Mahindra & Mahindra Financial Services Ltd.
Mahindra Towers, 4th Floor,
Dr. G. M. Bhosale Marg,
Worli, Mumbai 400 018 India

Tel: +91 22 66526000
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+91 22 24984171

17th January 2023

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 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, 17th January 2023 from 1:15 p.m. to 1:30 p.m., wherein the Committee has approved the allotment of 11,650 Senior, Secured, Redeemable, Rated, Listed, Principal Protected Non-Convertible Market Linked Debentures ("NCDs") (Series AA2023) of the face value of Rs. 1,00,000 each, aggregating to Rs. 116.5 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 MOHANLAL BATWAL
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Date: 2023.01.17 13:35:14 +05'30'

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 AA2023 - Rs. 116.5 Crores issued at a face value of Rs. 1,00,000/- per debenture
	Whether proposed to be listed? If yes, name of the stock exchange(s)	:	Yes Wholesale Debt Market Segment of BSE Limited.
	Tenure of the instrument	:	1094 Days
	Date of allotment and	:	17th January 2023
	Date of maturity	:	15th January 2026
	Pay-in-amount		Rs. 1,00,000 /- per debenture
	Coupon/interest offered	:	Coupon linked to performance of Underlying / Reference Index. Underlying/Reference Index: 10 Year Government security: 7.26 G-Sec 2032 having ISIN: IN0020220060 and Maturity on 22nd August, 2032 as published by Financial Benchmarks India Private Limited (FBIL) on its website viz. www.fbil.org.in
	Schedule of payment of Coupon/interest and principal	:	Redemption is linked to performance of Underlying / Reference Index
	Charge/Security, if any, created over the assets	:	Debentures shall be secured by way of 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. 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.

	Special rights/interest/privileges attached to the instruments and changes thereof	:	Not Applicable
	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.
	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.
	Details of redemption of Debentures	:	**Redemption Date:** 15th January 2026 **Redemption /Maturity Value:** **Scenario** — **Redemption / Maturity Value (Rs. Per Debenture)** If Underlying Performance >=75% of the Initial Fixing level — 1,24,725.00 If Underlying Performance < 75% but >= 25% of the Initial Fixing level — 1,24,551.80 If Underlying Performance < 25% of the Initial Fixing level — 1,00,000.00
	Any cancellation or termination of proposal for issuance of securities including reasons thereof	:	N.A.

For Mahindra & Mahindra Financial Services Limited

BRIJBALA MOHANLAL BATWAL

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Date: 2023.01.17 13:35:46 +05'30'

Brijbala Batwal
Company Secretary

mahindra FINANCE

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Mahindra Towers, 4th Floor,
Dr. G. M. Bhosale Marg,
Worli, Mumbai 400 018 India

Tel: +91 22 66526007/17

Annexure 'II'

16th January, 2023

COMMON TERMS & CONDITIONS OF NCD	
Issuer	Mahindra & Mahindra Financial Services Ltd
Mode of Offering	Private Placement
Nature of Instrument	Senior, Secured, Redeemable, Rated, Listed, Principal Protected Non-Convertible Market Linked Debentures
Principal Protection	Principal is protected at Maturity
Eligible Investors	Please refer paragraph "Who can apply" of the Shelf Placement Memorandum dated January 13th, 2023
Face Value	Rs. 1,00,000/- per debenture
Minimum Application Size	100 debentures and in multiples of 1 debenture thereafter
Issue Price	Rs. 1,00,000/- per debenture
Purpose and objects of the Issue	The proceeds of the Debentures shall be utilised by the Company 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 following format:	Not Applicable
Issue Opening Date	17th January, 2023
Issue Closing Date	17th January, 2023
Underlying/ Reference Index	10 Year Government security: 7.26 G-Sec 2032 having ISIN: IN0020220060 and Maturity on 22nd August, 2032 as published by FBIL on www.fbil.org.in
Initial Fixing Date	09th January, 2023
Initial Fixing Level	Last Traded (Closing) Price of 7.26 G-Sec 2032 (IN0020220060) as on Initial Fixing Date, as published by FBIL on www.fbil.org.in i.e. Rs.99.425
Final Fixing Date	15th October, 2025
Final Fixing Level	Last Traded (Closing) Price of 7.26 G-Sec 2032 as on Final Fixing Date, as published by FBIL on www.fbil.org.in
Last Traded (Closing) Price ("LTP")	In case NO LTP is available on the Final Fixing Date then, LTP on previous business day will be considered, If such business day is not 14 days before the Final Fixing Date. In the absence of LTP, Clean Price will be derived using Yields of Liquid Securities of similar tenure and credit risk.
Pay-in-Date	17th January, 2023
Deemed Date of Allotment	17th January, 2023
Underlying Performance (%)	(Final Fixing Level / Initial Fixing Level) *100
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
Step up/Step down coupon rate	Not Applicable
Coupon payment frequency	Not Applicable
Coupon payment dates	Not Applicable
Coupon type	Coupon linked to performance of Underlying / Reference Index.
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/P/CIR/2021/613 dated August 10, 2021)
Redemption Premium/Discount	Not Applicable
Discount at which security is issued and the effective yield as a result of such discount.	Not Applicable
Put / Call Option	None
Put / Call Option Date	Not Applicable
Put / Call Option Price	Not Applicable
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/DDHS_Div1/P/CIR/2022/167 dated November 30, 2022, as amended from time to time. In case of delay in listing beyond the timelines specified above, the Issuer will 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); and be permitted to utilize the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from stock exchanges.
Issuance mode of Debenture	The Issuer will issue the debentures in dematerialized form.
Settlement mode of the Instrument	Through RTGS / NEFT / Fund Transfer.
Trading mode of the Debenture	DEMAT form only
Depository	NSDL and CDSL
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.	Debentures shall be secured by way of 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. 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.
Rating	IND PP-MLD AAA emr / Stable rating by India Ratings & Research Private Limited
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/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.
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.
Interest on Application Money	Not applicable

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	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.
Condition Subsequent to Disbursement	1. Demat credit in the account(s) of the allotees 2. Execution of Debenture trust Deed 3. Filing of the return of allotment within the timelines specified under the Act and the rules made there under; 4. 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 13th, 2023 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 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
Roles and Responsibilities of Debenture Trustee	As per Debenture Trust Deed
Risk factors pertaining to the issue	Please refer paragraph "Risk factors" of the Shelf Placement Memorandum dated January 13th, 2023
Governing Law and Jurisdiction	Please refer paragraph "Governing Law and Jurisdiction" of the Shelf Placement Memorandum dated January 13th, 2023
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. **Default in Payment:** 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).
Valuation Agency Fees	Fees paid to Valuation Agent by the Issuer shall be in the range of upto 4 bps p.a. on the face value of the outstanding Debentures.
Valuation Agency	Name of Agency: CARE Risk Solutions Private Limited (Wholly Owned Subsidiary of CARE Ratings Ltd.) Address: Office No.62, 6th Floor, Rustomjee Aspire, Off Eastern Express Highway, Sion East, Mumbai – 400 022.
Publication of Valuation Report	The latest and historical valuations for these Debentures will be published on the website of the Issuer and the website of the Valuation Agency at CARE Risk Solutions Pvt Ltd.
Risk Factors associated with Market Linked Debentures	The securities are created based on complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models. The principal amount is subject to the credit risk of the issuer whereby the investor may or may not recover all or part of the funds in case of default by the Issuer.

	For further details on risk factors, please refer paragraph "Risk factors" of the Shelf Placement Memorandum dated January 13th, 2023
Arranger / Distribution Fee	The fees payable for marketing and distribution of debentures shall not exceed 5 bps p.a.
Letters of Allotment	The Issuer will issue the Debentures in dematerialized form within 2 (Two) working days from the Deemed Date of Allotment of Debentures.
Trustees	Axis Trustee Services Ltd.
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.
Validity	The offer is valid till 17th January, 2023. However, the Company reserves the right to change / modify the terms at any time without any notice during the period of this offer.

Terms – Series AA2023

Investor	Multiple Investor	
ISIN	To be Applied	
Issue Size (Rs.)	Rs.50 Crores plus Green Shoe Option upto 200 Crores	
Issue Price	Rs. 1,00,000 /- per debenture.	
Tenor in Days	1094 Days	
Redemption Date	15th January, 2026	
Final Fixing Date	15th October 2025	
Redemption / Maturity Value	**Scenario**	**Redemption / Maturity Value (Rs. Per Debenture)**
	If Underlying Performance >=75% of the Initial Fixing level	1,24,725.00
	If Underlying Performance < 75% but >= 25% of the Initial Fixing level	1,24,551.80
	If Underlying Performance < 25% of the Initial Fixing level	1,00,000.00

Illustration of Cash Flows for Series AA2023 :

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
Redemption / Maturity Value on Redemption / Maturity Date	15th January, 2026	1094 days	Redemption Value linked to performance of Underlying / Reference Index as per table below

Scenario Analysis

The following table shows the value of the Debenture at maturity under different market conditions

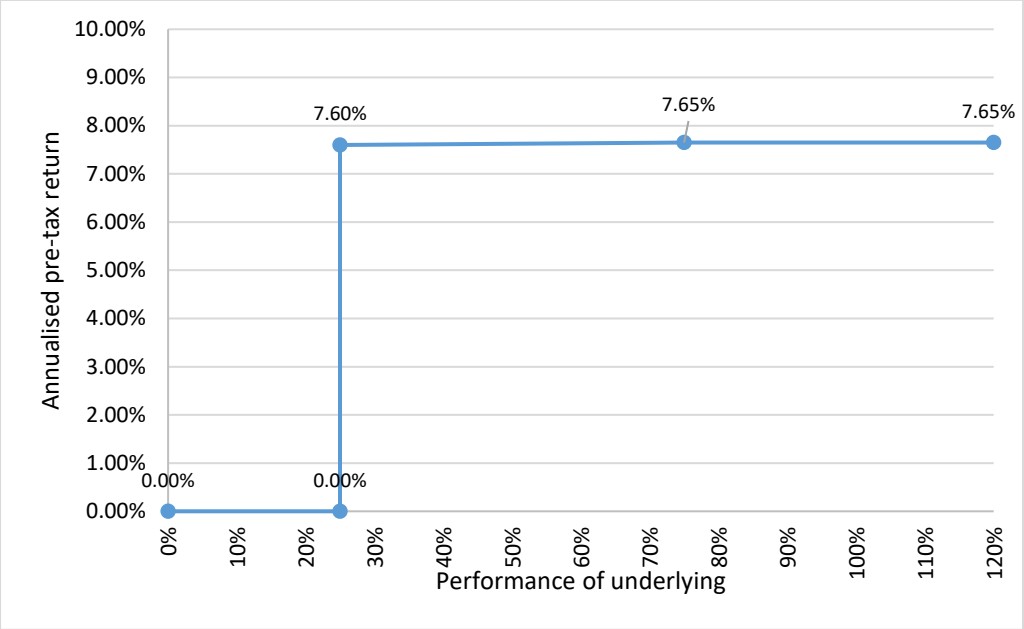
Underlying Performance	Issue Price	Annualized Pre-Tax Return	Maturity Value
120.00%	1,00,000	7.65%	1,24,725.00
100.00%	1,00,000	7.65%	1,24,725.00
80.00%	1,00,000	7.65%	1,24,725.00
75.00%	1,00,000	7.65%	1,24,725.00
70.00%	1,00,000	7.60%	1,24,551.80
50.00%	1,00,000	7.60%	1,24,551.80
30.00%	1,00,000	7.60%	1,24,551.80
25.00%	1,00,000	7.60%	1,24,551.80
20.00%	1,00,000	0.00%	1,00,000.00
10.00%	1,00,000	0.00%	1,00,000.00
0.00%	1,00,000	0.00%	1,00,000.00

* The return on debenture (annualized) is calculated on the basis of **Issue price** of the debenture
Note : Principal amount = (Face value per debenture) * (No. of debentures subscribed)

Scenario	Particulars	Price of 10 year G-Sec at Initial Level	Semi Annual YTM at Initial Level	Assumed price of 10 year G-Sec at final fixing date	Indicative Semi Annual YTM range at final fixing price	Effective Yield (on XIRR basis)	Investment (Rs.)	Maturity (Rs.)
Moderately falling to rising	If Underlying Performance >=75% of the Initial Fixing level	99.4250	7.3430%	>=74.5688	<= 13.1334%	7.65%	1,00,000	1,24,725.00
Substantially falling	If Underlying Performance < 75% but >= 25% of the Initial Fixing level	99.4250	7.3430%	< 74.5688 but >= 24.8563	>13.1334% but <= 40.7548%	7.60%	1,00,000	1,24,551.80
Extreme falling	If Underlying Performance < 25% of the Initial Fixing level	99.4250	7.3430%	< 24.8563	> 40.7548%	0.00%	1,00,000	1,00,000.00

Note : Principal amount = (Face value per debenture) * (No. of debentures subscribed)
Effective yield is calculated on the basis of Issue Price of the debenture.

Graphical Representation



*** Effective yield is calculated on the basis of Issue Price of the debenture *(on XIRR basis)***

This scenario analysis is provided for illustrative purposes only and does not represent actual termination or unwind prices, nor does it present all possible outcomes or describe all factors that may affect the value of your investment.

<u>Settlement details</u>

Name of the Company	:	Mahindra & Mahindra Financial Services Ltd.
Name of Bank	:	HDFC Bank,
Bank Address	:	Novartis House, Dr Annie Besant Road, Worli, Mumbai -400018
Account Number	:	02400310005952
IFSC Code	:	HDFC0000240

Thanking you,

Yours faithfully,

For MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.,

Authorised Signatory