Mahindra FINANCE

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

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28th December, 2018

The General Manager –
Department of Corporate Relations
BSE Limited
Sir Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai -400 001.

Scrip Code: 532720

The Vice President,
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051.

Scrip Code: M&MFIN

Dear Sirs,

Sub: Public Issue by Mahindra & Mahindra Financial Services Limited ("Company" or the "Issuer") of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures of face value of Rs. 1,000 (Rupees One Thousand) each ("NCDs") for an amount upto Rs. 1,00,00,00,00,000 (Rupees Ten Thousand Crores) ("Shelf Limit") ("Issue"). The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in separate tranche prospectus(es) for each tranche issue.

This has reference to our letter dated 21st December, 2018 on the captioned subject.

In connection with the Shelf Prospectus and Tranche 1 Prospectus filed with the Registrar of Companies, Maharashtra, Mumbai, ("ROC") on 21st December, 2018, we are in receipt of approval dated 28th December, 2018 from the ROC.

Tranche 1 Issue consists of Secured Redeemable Non-Convertible Debentures of face value of Rs.1,000 (Rupees One Thousand) Each ("Secured NCDs") and/ or Unsecured, Subordinated, Redeemable Non-Convertible Debentures of face value of Rs.1,000 (Rupees One Thousand) Each ("Unsecured NCDs") for an amount aggregating up to Rs.500,00,00,000 ("Base Issue Size") with an option to retain oversubscription up to Rs.30,00,00,00,000 aggregating up to Rs.35,00,00,00,000 ("Tranche I Issue") which is within the Shelf Limit of Rs.1,00,00,00,00,000 and is being offered by way of the Tranche I Prospectus dated 21st December, 2018 containing, inter alia, the terms and conditions of the Tranche I Issue ("Tranche I Prospectus"), which should be read together with the Shelf Prospectus dated 21st December, 2018 ("Shelf Prospectus"). The Secured NCDs shall be allotted for a value of up to Rs. 25,00,00,00,000 and the Unsecured NCDs shall be allotted for a value of up to Rs.10,00,00,00,000 within the overall limit of Rs. 35,00,00,00,000. The Unsecured NCDs will be eligible for Tier II Capital.

ARNAVAZ MANECK PARDIWALLA
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Accordingly, as mentioned in our aforesaid letter, the terms of Issue of each series of NCDs are set out below:

Series	I	II	III	IV
Frequency of Interest Payment	Annual	Annual	Annual	Annual
Minimum Application	₹ 10,000 (10 NCDs) across all Series collectively			
In Multiples of thereafter	₹ 1,000 (1 NCD)			
Face Value of NCDs (₹/ NCD)	₹ 1,000			
Issue Price (₹/ NCD)	₹ 1,000			
Mode of Interest Payment	Through various options available			
Tenor	39 months	60 months	96 months	120 months
Coupon (%) for NCD Holders in Category I and Category II	9.00	9.10	9.20	9.35
Coupon (%) for NCD holders in Category III and Category IV	9.05	9.15	9.30	9.50
Effective Yield (per annum) for NCD holders in Category I & II	9.02	9.12	9.21	9.35
Effective Yield (per annum) for NCD holders in Category III & IV	9.07	9.17	9.31	9.50
Put Option	NA	NA	NA	NA
Call Option	NA	NA	NA	NA
Redemption Date (from the Deemed Date of Allotment)	39 months	60 months	96 months	120 months
Nature of Indebtedness	Secured	Secured	Secured	Unsecured
Redemption Amount (₹/NCD)	₹ 1,000			

The NCDs offered through the Shelf Prospectus and Tranche 1 Prospectus are proposed to be listed on BSE Limited.

Issue opens on 4th January, 2019 and closes on 25th January, 2019**

***The Tranche I Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company ("Board") or Bond Issue Committee. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a reputed daily national newspaper with wide circulation on or before such earlier or extended date of Tranche I Issue closure. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the BSE.*

Capitalized terms not specifically defined above shall have the same meaning as assigned to them in the Shelf Prospectus and Tranche 1 Prospectus.

ARNAVAZ MANECK PARDIWALLA

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We request you to take the above on record and the same be treated as compliance under the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours Faithfully,
For Mahindra & Mahindra Financial Services Limited

ARNAVAZ MANECK PARDIWALLA
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Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer