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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5th July, 2017

The General Manager - Department of Corporate Services,
BSE Limited,
Sir Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai -400 001.
Scrip Code: 532720

The Manager - Listing Department,
The National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051.
Scrip Code: M&MFIN

Dear Sir,

Sub: Public Issue by Mahindra & Mahindra Financial Services Limited ("Company" or the "Issuer") of 2,00,00,000 Unsecured Subordinated Redeemable Non-Convertible Debentures ("NCDs") of face value of ₹ 1,000 each aggregating up to ₹ 2,00,000 lakhs ("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 29th June, 2017 on the captioned subject.

In connection with the Shelf Prospectus and Tranche 1 Prospectus filed with the Registrar of Companies, Maharashtra, Mumbai, ("ROC") on 29th June, 2017, we are in receipt of approval dated 4th July, 2017 from the ROC.

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

Series	I	II	III
Frequency of Interest Payment	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		

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Tenor	7 years	10 years	15 years
Coupon (%) for NCD Holders in Category I and Category II	7.75	7.90	7.95
Coupon (%) for NCD holders in Category III and Category IV	7.85	8.00	8.05
Effective Yield (per annum) for NCD holders in Category I & II	7.76	7.91	7.95
Effective Yield (per annum) for NCD holders in Category III & IV	7.86	8.01	8.05
Put Option	NA	NA	NA
Call Option	NA	NA	Subject to compliance with applicable laws, in case of Series III NCDs, call option may be exercised by the Company at the end of the 10th year from the Deemed Date of Allotment. In the event of call option being exercised for Series III NCDs, the Redemption Date for Series III NCDs shall be 10 years from Deemed Date of Allotment or such date for exercising the call option as intimated by the Company.
Redemption Date	7 years from the Deemed Date of Allotment	10 years from the Deemed Date of Allotment	15 years from the Deemed Date of Allotment. In the event of call option being exercised for Series III NCDs, the Redemption Date for Series III NCDs shall be 10 years from Deemed Date of Allotment or such date for exercising the call option as intimated by the Company.
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 10th July, 2017 and closes on 28th July, 2017**

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***The Tranche 1 Issue shall be open for subscription from 10th July, 2017 to 28th July, 2017 with an option to close on such earlier date or extended date as may be decided by the Board of Directors of the Company or the Bond Issue Committee of the Board of Directors. In the event of an early closure or extension of the Tranche 1 Issue, the Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a reputed daily national newspaper on or before such earlier or extended date of Issue closure.*

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

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 M. Pardiwalla
Company Secretary & Compliance Officer

Mahindra & Mahindra Financial Services Limited ★ Mumbai