

1st December, 2015

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

Tel: +91 22 66526000
Fax: +91 22 24984170
+91 22 24984171

Name of the Scrip: Mahindra & Mahindra Financial Services Limited
Scrip Code : M&MFIN

Dear Sir,

**Sub : Credit Rating by Credit Analysis and Research Limited ('CARE') for
proposed issue of Non-Convertible Debentures and Subordinated Debt**

We wish to inform you that Credit Analysis and Research Limited ('CARE Ratings'), vide its letter dated 1st December, 2015, has assigned the following ratings for the proposed issue of Non-Convertible Debentures (NCDs) of Rs. 400 crore and Subordinated Debt issue of Rs.600 crore by Mahindra & Mahindra Financial Services Limited :

Instrument	Amount (Rs. Crore)	Rating	Remarks
Non-Convertible Debenture	400 (Rupees Four Hundred Crore only)	CARE AAA (Triple A)	Assigned
Subordinated Debt (Public Issue)	500 (Rupees Five Hundred Crore only)	CARE AAA (Triple A)	Assigned
Subordinated Debt	100 (Rupees One Hundred Crore only)	CARE AAA (Triple A)	Assigned

This is for your information please.

Thanking you,

Yours faithfully,

Mahindra & Mahindra Financial Services Limited

Arnavaz

Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer

Encl : Rating Letter



CARE/HO/RL/2015-16/2711

Mr. Ramesh Iyer

Managing Director

Mahindra & Mahindra Financial Services Ltd.

Mahindra Towers,

Dr. G M. Bhosale Marg,

P. K. Kurne Chowk,

Worli, Mumbai - 400 018

December 1, 2015

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture and subordinated debt issues

Please refer to your request for rating of proposed non-convertible debenture (NCD) issue of Rs.400 crore and subordinated debt issue of Rs.600 crore of your company.

2. The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating ¹	Remarks
Non-convertible debenture	400 (Rupees Four hundred crore only)	CARE AAA (Triple A)	Assigned
Subordinated debt (public issue)	500 (Rupees Five hundred crore only)	CARE AAA (Triple A)	Assigned
Subordinated debt	100 (Rupees One hundred crore only)	CARE AAA (Triple A)	Assigned

3. The rationale for the ratings will be communicated to you separately.

4. Please arrange to get the ratings revalidated, in case the proposed issues are not made within a period of six months from the date of our initial communication of ratings to you (that is December 1, 2015).

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

5. In case there is any change in the size or terms of the proposed issues, please get the rating revalidated.
6. Please inform us the details of issues [date of issues, name of investor, amount issued, interest rate, date of payment of interest, date and amount of repayment etc.] as soon as the instruments have been placed.
7. Kindly arrange to submit to us a copy of each of the documents pertaining to the issues, including the offer document and the trust deed.
8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension/withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
11. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,



[Pankaj Naik]

Sr. Manager

Pankaj.naik@careratings.com

Yours faithfully,



[Anuj Jain]

AGM

anuj.jain@careratings.com