Mahindra FINANCE

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

Tel: +91 22 66526007/17
Fax: +91 22 24953608

17th October, 2017

Union Bank Of India
Treasury, Union Bank Bhavan,
239, Vidhan Bhavan Marg,
Nariman Point, Mumbai-400021

Dear Sir / Madam,
With reference to our discussion, we hereby propose our Letter of Offer for private placement of NCD facilities on following terms & conditions, subject to approval of our Committee of Directors.

Issue	Rs.250,00,00,000/-
Investors	Union Bank Of India
Nature of the Instrument	Secured Redeemable Non-Convertible Debentures
Mode of Offering	Private Placement
Face Value	Rs. 10,00,000/-
Issue Open Date	18th October, 2017
Issue Close Date	18th October, 2017
Tenor	2 years & 364 days from Deemed date of Allotment
Deemed Date of Allotment	The deemed date of Allotment shall be date of receipt of funds towards subscription or 18th October, 2017 whichever is later or any other day as the company may decide.
Interest on Application	Not Applicable
Redemption	Bullet redemption at par at the end of 2 years & 364 days from the deemed date of allotment.
Date of Maturity	16th October, 2020
Coupon Rate	7.54% p.a.
Interest Payable	Annually
Interest Payment Dates	The interest payment dates are 18/10/2018, 18/10/2019 & on maturity i.e. 16/10/2020.
Put / Call Option	Not Applicable
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 due date.

Mahindra & Mahindra Financial Services Ltd. Mumbai

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CIN - L65921MH1991PLC059642

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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 Circular - CIR/IMD/DF-1/122/2016 dated November 11, 2016)
Rating	"IND AAA / Stable" rating by India Ratings & Research
Holiday 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. The interest/ redemption payments shall be made only on the days when the money market is functioning in Mumbai. The Coupon payment convention will be as per SEBI Circular - CIR/IMD/DF-1/122/2016 dated November 11, 2016
Security	Debentures are secured by way of pari passu charge in terms of the registered debenture trust deed dated 12th September, 2017 on Aurangabad Branch office along with other Debenture holders and exclusive charge on receivables under Hire Purchase/Lease/ Loan contracts, owned Assets and Book debts to the extent of 100% of Debenture outstanding.
Letters of Allotment	The Issuer will issue the Letters of Allotment in dematerialized form within 2 (Two) working days from the Deemed Date of Allotment of Debentures.
Purpose	For long Term working capital
Documents	Copy of Board Resolution for NCD. Certified True Copy of resolution passed by Committee of Directors will be given within 5 working days from the deemed date of allotment.
Trustees	Axis Trustee Services Ltd.
Listing	To be Listed in The Stock Exchange, Mumbai. In-principal approval received on 09/12/2016.
Minimum Application & in multiples of Debt securities thereafter	10 Debenture and in multiples of 1 thereafter
Multiple Issuances	Company reserves right to make multiple issuances under the same ISIN with reference to SEBI Circular CIR/IMD/DF-1/ 67 /2017 dated 30th June 2017. 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 CIR/IMD/DF-1/ 67 /2017 dated 30th June 2017
Validity	The offer is valid till 18th October, 2017. However the Company reserves the right to change / modify the terms at any time without any notice during the period of this offer.

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Annexure -A

Illustration of Bond Cash Flows for Series BL2017

Cash Flows	Date	No. of days in Coupon period	Amount per debenture (in Rupees)
1st Coupon	Thursday, 18 October 2018	365	75,400.00
2nd Coupon	Friday, 18 October 2019	365	75,400.00
3rd Coupon	Friday, 16 October 2020	364	74,987.98
Principal	Friday, 16 October 2020		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 Circular - CIR/IMD/DF-1/122/2016 dated November 11, 2016

Thanking you,
Yours faithfully,

For **MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.,**

Mahindra & Mahindra Financial Services Ltd. Mumbai

Authorised Signatory

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