

Mahindra HOME FINANCE

MAHINDRA RURAL HOUSING FINANCE LIMITED

Registered Office: Mahindra Towers, 4th Floor, P.K. Kurne Chowk, Worli, Mumbai - 400018

Corporate Office : 2nd Floor, Sadhana House, Behind Mahindra Towers, P.B. Marg, Worli, Mumbai -400018

Phone: +91 22 66523500 **Fax:** 91 22 24972741 /22 24953608

CIN - U65922MH2007PLC169791

Website: www.mahindrahomefinance.com

DISCLOSURE DOCUMENT AS PER SCHEDULE I OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AND (AMENDMENT) REGULATIONS, 2012 AND PRIVATE PLACEMENT OFFER LETTER AS PER PAS-4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, ISSUED UNDER THE COMPANIES ACT, 2013 FOR THE ISSUE OF DEBENTURES ON A PRIVATE PLACEMENT BASIS

PRIVATE PLACEMENT OF **16,500** SECURED/UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES (SUBORDINATED OR NOT) OF FACE VALUE RS. 10,00,000/- EACH, FOR CASH, AGGREGATING RS. **1650** CRORES

General Risk:

Investment in debt instruments involves a degree of risk and investors should invest any funds in the issue only after reading the information carefully. For taking investment decision, investors must rely on their own examination of Mahindra Rural Housing Finance Limited (the "Issuer") and the issue including the risk involved. The Securities have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Information Memorandum. This Information Memorandum has not been submitted, cleared or approved by SEBI. It should be clearly understood that the Company is solely responsible for the correctness,

adequacy and disclosure of all relevant information herein.

Credit Rating:

India Ratings and Research Private Limited (erstwhile FITCH India Limited) has assigned '**IND AA+**' rating with Stable outlook to our Non Convertible Debentures and Subordinated Debt. CARE has assigned "**CARE AA+**" rating to our Non Convertible Debentures and Subordinated Debt.

The Rating(s) are not a recommendation to buy, sell or hold securities and Investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning Rating Agency on the basis of new information. Each rating should be evaluated independent of any other rating.

Listing:

The aforesaid Debentures of the Company are proposed to be listed on the wholesale debt market segment of The Bombay Stock Exchange Ltd. ('BSE').

This Disclosure Document is dated 29th June 2016

DEBENTURE TRUSTEE



REGISTRAR TO ISSUE



Definitions and Abbreviations

GLOSSARY OF TERMS

Definitions	Term Description
“MRHFL” or “Company” or “our Company” or “Issuer”	Mahindra Rural Housing Finance Ltd., a public limited company incorporated under the Companies Act, 1956.
“we” or “us” and “our”	Refers to Mahindra Rural Housing Finance Ltd
ISSUE RELATED TERMS	
Term	Description
Allotment	Unless the context otherwise requires, the allotment and transfer of Debenure pursuant to this Issue.
Articles/Articles of Association	Articles of association of our Company.
Auditors	The statutory auditors of the Company are B.K Khare & Co., Chartered Accountants.
Board of Directors/Board	The board of directors of our Company or a committee Constituted thereof.
Companies Act	The Companies Act, 1956/Companies Act, 2013, as amended from time to time.
Depository	A body corporate registered under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of Mahindra Rural Housing Finance Ltd, unless otherwise specified
Financial Year/fiscal year/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
Government	The Government of India.
Memorandum/Memorandum of Association	The Memorandum and Articles of Association of our Company.
Registered Office	Mahindra Towers, 4th Floor, Dr G.M. Bhosale Marg , Worli, Mumbai – 400018
Registrar/Registrar to the Issue	Registrar to the Issue, in this case being Sharepro Services (I) Pvt Ltd
SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
Stock Exchanges.	The Bombay Stock Exchange Ltd.

A. ISSUER INFORMATION

a. Name, Address and Contact details of the Issuer:

Name of Issuer:	Mahindra Rural Housing Finance Limited
Registered Office:	Mahindra Towers, 4 th Floor, P. K. Kurne Chowk, Worli, Mumbai – 400018
Corporate Office:	2 nd Floor, Sadhana House, Behind Mahindra Towers, P.B. Marg, Worli, Mumbai -400018
CIN	U65922MH2007PLC169791
Compliance Officer:	Ms. Arnavaz M. Pardiwala
Chief Financial Officer	Mr. Dharmesh Vakharia
Contact Person	Mr. Dinesh Prajapati
Phone No.:	66526000 EXTN: 6007/6008/6009/6010/6053/6150/6194
Fax:	22 24972741 /22 24953608
Website:	www.mahindrahomefinance.com
Trustee to the Debenture holders:	Axis Trustee Services Ltd. 2 nd Floor –E, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400 025 Tel: (022) 24255202, 24255216 Fax:(022) 22162467 Email - Id : debenturetrustee@axistrustee.com
Registrar to the Issue:	Sharepro Services (I) Pvt. Ltd. 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange lane, Off Andheri Kurla Road, Sakinaka, Andheri [East], Mumbai 400 072 Tel: (022) 67720300, 67720400, 28511872 Fax:(022) 28591568 Email - Id : sharepro@shareproservices.com
Auditors of the Issuer:	B.K. Khare & Co. Chartered Accountants 706/708, Sharda Chambers, New Marine Lines, Mumbai 400020
Credit Rating agencies of the Issuer	1. India Ratings & Research Pvt Ltd Wockhardt Tower, West Wing, 4th Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400051 2. Credit Analysis & Research Limited 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022

RISK FACTORS

The following are the risks envisaged by the management, and Investors should consider the following risk factors, together with all other information contained in this Offer Document, carefully for evaluating the Company and its business before making any investment decision. Unless the context requires otherwise, the risk factors described below apply to Mahindra Rural Housing Finance Limited. These risks and uncertainties are not the only issues that we face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have a material adverse effect on our financial condition or business success. If anyone, or a combination, of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and therefore the value of the Company's debt securities could decline.

Note: Unless specified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below:

INTERNAL RISKS

1. The risk of non-payment or default by borrowers may adversely affect our financial condition and results of operations.

Mahindra Rural Housing Finance Limited (MRHFL) is a subsidiary of Mahindra and Mahindra Financial Services Limited (MMFSL) has been established to provide Home Loans primarily in rural and semi urban India. We cater primarily to customers without formal credit histories and which typically have less financial wherewithal and may be particularly susceptible to adverse economic conditions. We expect that the size of our loan portfolio will grow as a result of our expansion strategy in existing as well as new geography, which will expose us to an increased risk of defaults.

The borrowers and their guarantors under our loan agreements may default in their repayment obligations due to various reasons including insolvency, lack of liquidity, increase in operating costs, including fuel costs and business failure, including poor agricultural production. Besides macroeconomic conditions, we face risks specific to each line of business, which may also result in increased defaults. In addition, our customers often do not have credit histories supported by tax returns and other documents that would enable us to assess their creditworthiness, and we may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by our customers or employees. Furthermore, as a nationwide credit bureau has only recently become operational in India, there is less financial information available about individuals, particularly in our customer segment, which primarily consists of low to middle income earners. This segment also has limited access to other financing sources and is located in the rural and semi-urban markets. It may therefore be difficult to carry out precise credit risk analyses on all of our customers.

Although we follow certain procedures to evaluate the credit profiles of our customers at the time of sanctioning a loan, we typically rely on a system of referrals from the local community and the value of the House provided as underlying collateral rather than focusing solely on the credit profile of our customers. Furthermore, we may be unable to uncover frauds committed by employees who falsely substantiate the know-your-customer information of borrowers. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Non-payment or default by borrowers could adversely affect our financial condition and results of operations.

2. Any disruption in our sources of funding could adversely affect our liquidity and financial condition.

The liquidity and profitability of our business depend, in large part, on our timely access to, and the costs associated with, raising funds. Our funding requirements historically have been met from various sources, including shareholder funding, and secured and unsecured loans, including rupee-denominated term loans and cash credit facilities from banks and financial institutions, commercial paper, and inter-corporate deposits. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including our current and future results of operations and financial condition, our risk management policies, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy and the perceptions of investors and lenders of the demand for debt and equity securities of housing finance companies (“HFCs”).

3. Our inability to recover the full value of collateral or amounts outstanding under defaulted loans in a timely manner or at all could adversely affect our results of operations.

For each housing financing arrangement, we sanction an amount of credit that is less than the value of the house which we take as collateral. We regulate this amount through our restrictions on the loan to value (“LTV”) ratio of each financing. While we require each customer to secure a guarantee, we may not be able to enforce or collect the amount owed under such guarantee, if at all.

We may also encounter difficulties in seizing and liquidating collateral. When a customer defaults under a financing facility, we typically start the legal proceedings to collect the installment /enforce charge on the collateral. There is no assurance, however, that we will be able to successfully seize the collateral in the event of default under a loan agreement. We may not get perspective buyers to sell the collateral at appropriate time. We may face additional delay and expense in conducting an auction to sell the collateral and may face significant delay in seizing collateral, as litigation against defaulting customers, even if governed by an arbitration clause, can be slow and expensive in India. If we are unable or delay to seize and liquidate the collateral securing loans in default, we may incur losses, which could adversely affect our results of operations and financial condition.

4. If our Company’s provisioning requirements are insufficient to cover our existing or future levels of non-performing loans or if future regulation requires us to increase our provisions, our ability to raise additional capital and debt funds as well as our results of operations and financial condition could be adversely affected.

We adhere to provisioning requirements related to our loan portfolio pursuant to the Housing Finance Companies (NHB) Directions, 2010, Though our own existing provisioning norms are in line as prescribed by the NHB, our provisioning requirements may be inadequate to cover increases in non-performing loans. If our provisioning requirements are insufficient to cover our existing or future levels of non-performing loans or if future regulation requires us to increase our provisions, our ability to raise additional capital and debt funds as well as our results of operations and financial condition could be adversely affected.

5. We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to decline and adversely affect our return on assets and profitability.

Our interest income is affected by any volatility in interest rates in our lending operations. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically generated a relatively high degree of volatility in interest rates in India. Persistently high inflation in India may discourage the Government from implementing policies that would cause interest rates to decrease. Moreover, if there is an increase in the interest rates we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors, who may have access to low-cost deposit funds. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders that borrow only at fixed interest rates.

Our inability to effectively and efficiently manage interest rate variations and our failure to pass on increased interest rates on our borrowings may cause our net interest income to decline, which would decrease our return on assets and could adversely affect our business, future financial performance and result of operations.

6. A significant portion of our collections from customers is in cash, exposing us to certain operational risks.

A significant portion of our collections from our customers is in cash. Large cash collections expose us to the risk of theft, fraud, misappropriation or unauthorized transactions by employees responsible for dealing with such cash collections. These risks are exacerbated by the high levels of responsibility we delegate to our employees and the geographically dispersed nature of our network. We primarily cater to customers in rural and semi-urban markets, which carry additional risks due to limitations on infrastructure and technology.

While we have implemented technology that tracks our cash collections, taken insurance policies, including fidelity coverage and coverage for cash in safes and in transit, and undertaken measures to detect and prevent unauthorized transactions, fraud or misappropriation, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transactions, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill. We may also be party to criminal proceedings and civil litigation related to our cash collections.

Given the high volume of transactions involving cash processed by us, certain instances of fraud and misconduct by our representatives or employees may go unnoticed for some time before they are discovered and others successfully rectified. Even when we discover instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, there can be no assurance that we will recover any amounts lost through such fraud or other misconduct. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of such systems will result in losses that are difficult to detect or rectify.

7. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and lending markets and could also affect our interest margins, business, results of operations and financial condition.

The cost and availability of Fund depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Certain factors that influence our credit ratings may be outside of our control. For example, our credit ratings may depend on the financial performance and business prospects of MMFSL and its majority shareholding in our Company. India Ratings & Research Private Limited has assigned IND AA+ rating to our non convertible debentures and subordinated debt and CARE has assigned CARE AA+ to our non convertible debentures and subordinated debt. Also India Ratings & Research Private Limited has assigned IND A1+ to our short-term debt, which is the highest rating for short-term debt instruments.

Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business and results of operations. In addition, any downgrade in our credit ratings could increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future.

8. We depend on the services of our management team and employees, our inability to recruit and retain which may adversely affect our business.

Our future success depends substantially on the continued service and performance of members of our management team and employees. There is intense competition for experienced senior management and other qualified personnel, particularly office managers, field executives and employees with local knowledge in client procurement, loan disbursement and installment collections. If we cannot hire additional or retain existing management personnel and employees, our ability to expand our business will be impaired and our revenue could be adversely affected. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, divert management resources, adversely affect our origination and collection rates, increase our exposure to high-risk credit and impose significant costs on us. While we have an incentive based remuneration structure and training and development programs designed to encourage employee retention, our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business and future financial performance.

9. We face difficulties and incur additional expenses in operating in rural and semi-urban markets, where infrastructure may be limited.

We cater primarily to customers in rural and semi-urban markets, which may have limited infrastructure, particularly for transportation and electricity. At offices in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, implementing technology measures. We may also face increased costs in conducting our business and operations, implementing security measures and expanding our advertising. We cannot assure you that such costs will not increase in the future as we expand our network in rural and semi urban markets, which could adversely affect our profitability.

Moreover, a significant number of our customers are farmers / small shop-keepers, daily wage earners etc., who are primarily dependent on agriculture or allied activities, residing in rural and semi-urban areas and our results of operations are affected by risks specific to their businesses. For example, the agriculture industry in India is substantially dependent on monsoons. Extreme weather conditions such as drought, insufficient rainfall or floods may potentially affect the quality and quantity of farming production in a given year, thereby adversely affecting the ability of our farmer customers to repay their loans.

10. A decline in our Company's capital adequacy ratio could restrict our future business growth.

Pursuant to the Housing Finance Companies (NHB) Directions, 2010, we are required to maintain a capital adequacy ratio of at least 12.0% of our aggregate risk weighted assets and of risk adjusted value of off-balance sheet items, consisting of at least as much Tier I capital as Tier II capital, on an ongoing basis where as the total Tier-II capital, at any point of time, shall not exceed one hundred percent of Tier-I capital. If we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to our business. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favorable to us or at all, which could result in non-compliance with applicable capital adequacy ratios and may adversely affect the growth of our business.

11. We are subject to supervision and regulation by the NHB as a Non deposit-taking HFC, and changes in NHB's regulations governing us could adversely affect our business.

We are subject to the NHB's directions on regulation of HFCs, including capital adequacy, exposure and other norms. The RBI regulates the credit flow by banks to HFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to HFCs. The NHB's regulations of HFCs could change in the future which may require us to restructure our activities, incur additional cost, raise additional capital or otherwise adversely affect our business and our financial performance.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could materially and adversely affect our business and our financial performance.

EXTERNAL RISKS

1. A slowdown in economic growth in India could cause our business to suffer.

Our results of operations and financial condition are dependent on, and have been adversely affected by, conditions in the financial markets, particularly in India, and the condition, including the uneven recovery, of the global economy. We are particularly susceptible to conditions in the financial markets in India, which could directly and adversely affect demand for housing and housing finance and our ability to secure additional financing.

Since August 2008, India's economy has been affected by the current global economic uncertainties, including periods of volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture and other factors. The Indian economy is currently in a state of transition and it is difficult to predict the impact of certain fundamental economic changes on our business. While the current Government has encouraged private participation in various sectors, any adverse change in, or failure to successfully implement, policies could further adversely affect the Indian economy.

The resulting economic pressure on the economies in which we operate, a general lack of confidence in the financial markets and fears of a further worsening of the economy have affected and may continue to affect the economic conditions. We cannot assure you that the markets in which we operate will undergo a full, timely and sustainable recovery. The economic turmoil may continue or take place in the future, adversely affect our business, results of operations and financial condition.

2. Political instability, changes in the Government or natural calamities may adversely affect economic conditions in India, which may impact our business, financial results and results of operations.

The Government has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Our financial performance may be adversely affected by changes in inflation, exchange rates and controls, interest rates, Government, social stability or other political, economic or diplomatic developments affecting India in the future. India has experienced and may continue to experience natural calamities such as earthquakes, floods and drought. The extent and severity of these natural disasters determines their effect on the Indian economy. Such natural calamities could have a negative effect on the Indian economy, adversely affecting our business.

3. Terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may adversely affect the Indian and worldwide financial markets. These acts may also result in a loss of business confidence and adversely affect our business, financial condition and results of operations. In addition, any deterioration in relations between India and its neighboring countries might result in concern about stability in the region.

India has also witnessed civil unrest including communal disturbances and riots in recent years. If such events recur, our operational and marketing activities may be adversely affected, resulting in a decline in our income.

4. Any downgrade of credit ratings of India may adversely affect our ability to raise debt financing.

India's sovereign ratings reflect an assessment of the Indian government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due.

No assurance can be given that any statistical rating organisation will not downgrade the credit ratings of India. Any such downgrade could adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance.

5. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.

Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. Further declines in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance.

b. A brief summary of business / activities of the Issuer company.

Overview

Mahindra Rural Housing Finance Limited (MRHFL), a subsidiary of Mahindra and Mahindra Financial Services Limited (MMFSL), has been established to provide Home Loans primarily in rural areas and semi urban India. Accordingly it has been registered with the National Housing Bank (NHB) as a Housing Finance Institution (Non Public Deposit Taking / Accepting), since 2007. MMFSL holds 87.5% of the equity of MRHFL and the National Housing Bank (NHB) holds the remaining 12.5%.

The loans given by the company, are secured by mortgage of the property of the company for home construction, purchase, extension and improvement.

Mahindra Rural Housing Finance was incorporated on April 9, 2007 and obtained a certificate of registration to commence the business of a Housing Finance Institution from the National Housing Bank on August 13, 2007. MRHFL now operates in various locations through out the country which include Gujarat, Maharashtra, Madhya Pradesh, Rajasthan, Andhra Pradesh, Telangana State, Karnataka, Tamil Nadu, Kerala, Bihar and Uttar Pradesh.

We provide cost-effective and flexible home loans to a wide base of customers in rural and semi-urban India. We make sure that our customers' basic need of shelter is met expediently. We endeavour to live up to our slogan 'Ghar Ki Baat Hai' by being highly customer centric while considering the customers as a part of our extended family.

We take pride in the fact that we have been able to help upgradation of many 'Kuccha' and infirm structures made of mud to 'Pukka' houses made of bricks and mortar. We have also provided funding for numerous rehabilitative efforts like changing the flooring of houses from rough cement base to tiles, etc. that have improved living conditions in many parts of Rural India.

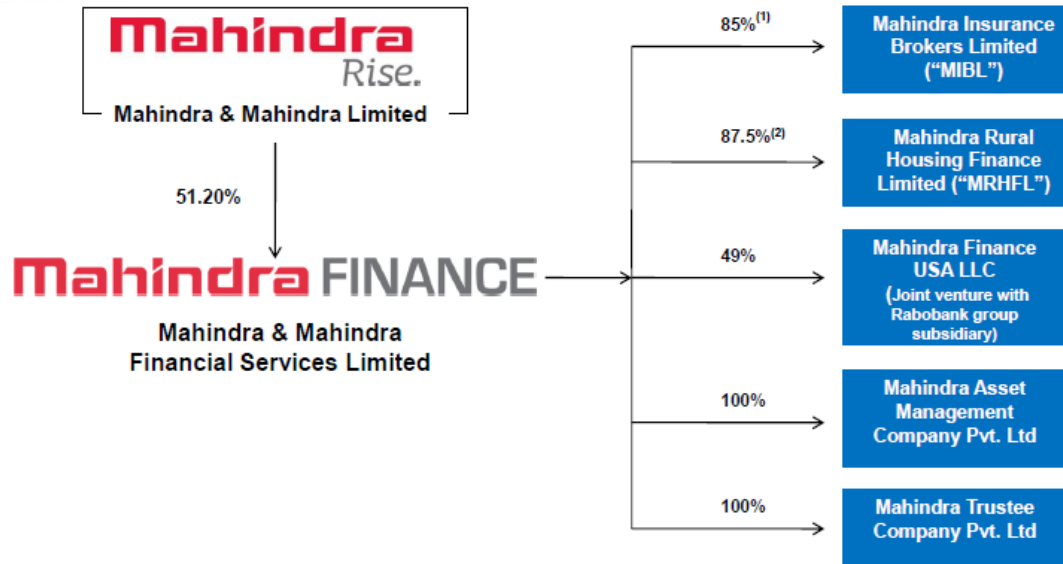
Between March 31, 2015 and March 31, 2016, we have increased our office network by 16.91% to 325 offices and increased the number of financing contracts we entered into with customers by 47.54% to 388154 financing contracts.

For the period ended March 31, 2016 and the year ended March 31, 2015, total income from operations was Rs. 4,954 million and Rs. 3284 million, respectively and total profit after taxation was Rs. 627 million and Rs. 442 million, respectively.

As of March 31, 2016, we maintained a non-performing asset (“NPA”) coverage ratio of 40.62%, Net NPA of 5.55% of total assets, capital adequacy ratio of 23.65%, total loans and advances outstanding of Rs. 32,736 million and total assets of Rs. 33,012 million, compared to, as of March 31, 2015, an NPA coverage ratio of 37.37%, net NPA of 4.58% of total assets, capital adequacy ratio of 15.27%, total loans and advances outstanding of Rs. 21,017 million and total assets of Rs. 21,194 million.

Corporate Structure

The following chart outlines our corporate structure:



Note:

1. Balance 15% with Inclusion Resources Pvt. Ltd., a subsidiary of Leapfrog Financial Inclusion Fund, incorporated in Singapore.
2. Balance 12.5% with National Housing Bank (NHB)

Key Managerial Personnel of our Company

Mr. Anuj Mehra, Managing Director - MRHFL

Mr. Anuj Mehra is currently the Managing Director of Mahindra Rural Housing Finance Limited (MRHFL). Mr. Anuj Mehra has obtained a Bachelor's Degree in Economics from Delhi University and has pursued post graduation in management from Indian Institute of Management, Ahmedabad.

Since passing out in 1982, he has had a rich and varied experience of around 30 years in the functional areas of Sales, Marketing, Finance and general Management across different industries (FMCG, Financial Services, Banking, Pharmaceutical and Real Estate).

Prior to joining MRHFL, Mr. Mehra was working with Mahindra Lifespace Developers Limited, a subsidiary of M&M.

Mr. Dharmesh Vakharia – Chief Financial Officer

Mr. Dharmesh Vakharia, Chief Financial Officer of Mahindra Rural Housing Finance Limited (MRHFL) is a Chartered Accountant by profession. Prior to joining MRHFL in 2011, he was involved with Mahindra & Mahindra Financial Services Limited (MMFSL) for 13 years in the Accounts department. He was the Chief Manager Regional Accounts in MMFSL prior to joining MRHFL. He was appointed as member of MMFSL Shadow Board during his tenure with MMFSL.

He also worked at M/s Kirtane & Pandit (Chartered Accountant) and M/s Surendra & Co. (Bombay).

Mr. Dharmesh completed his Bachelor of Commerce Degree from P.D. Lions College of Comm. & Eco., Mumbai.

Our Competitive Strengths

We believe that the following competitive strengths position us well for continued growth:

Knowledge of rural and semi-urban markets

We have over 8 years of operating experience in rural and semi-urban markets. Of our 325 offices as of March 31, 2016, a substantial majority cater to customers located in rural and semi-urban markets. We believe that significant understanding of local characteristics of these markets has allowed us to address the unique needs of our rural and semi-urban customers. We have adapted to markets that are affected by limitations of rural infrastructure and have developed a diversified customer base of farmers, car-owners, transport agencies, small businessmen etc. For origination and collection, we hire employees with knowledge of the local markets and have also implemented a de-centralized process to approve loans that meet pre-determined criteria. Further, our field executives use hand-held general packet radio service (“GPRS”) devices to record data while collecting loan payments at the customer’s home or business location. This leads to face-to-face interaction that improves our understanding of the needs of our customers and enables us to be more responsive to local market demand. We believe that our knowledge of the rural and semi-urban markets is a key strength that has enabled us to become one of India’s leading HFCs in rural and semi urban India.

We were early entrants into the rural and semi-urban markets, providing financing for home construction, purchase, extension and improvement. Credit in these markets was principally provided by the local money lenders. There was a large section of the rural population which did not have access to credit largely due to their inability to meet the lending covenants of the banks or because they could not service the high rates of the money lenders. We identified this opportunity and positioned ourselves to service this population. We adopted simple and prompt loan approval and documentation procedures and set our offer rates between those of the banks and the money lenders. In addition, the markets we serve are largely cash driven and we understand the challenges and limitations of rural infrastructure and have created processes/systems to overcome such limitations and challenges. For example, our field executives collect cash at the customer’s premises saving them the need to travel to one of our branches or a bank. These visits also enable us to develop our customer relationships and importantly allow us to understand their businesses. This understanding enables us to be proactive and develop future products for our customers. Our nationwide network, locally recruited employees, regular visits and our close relationship with the referral / sarpanch enables us to understand the needs of our customers. We believe that due to our early entry, our client relationships and our relationship with M&M and MMFSL, we have built a recognisable brand in the rural and semi-urban markets of India.

Extensive Network of offices

We operate an extensive network of 325 offices, spread over 11 states, as of March 31, 2016, as compared to 278 offices as of March 31, 2015. The reach of our offices allows us to service our existing customers and attract new customers as a result of personal relationships cultivated through proximity and frequent interaction by our employees. Our widespread office network reduces our reliance on any one region in India and allows us to apply best practices developed in one region to others. Our geographic diversification also mitigates some of the regional, climatic and cyclical risks, such as heavy monsoons or droughts. We believe that the challenges inherent in developing an effective office network in rural and semi-urban areas provide us with a significant first mover advantage over our competitors in these areas.

Streamlined Approval and Administrative Procedures and Effective Use of Technology

We believe that we benefit from our streamlined company-wide approval and administrative procedures that are supplemented by our employee training and integrated technology. Our local offices are responsible for appraisal, disbursement, collection and delinquency management of loans. We require simple documentation to comply with the regulatory norms and for the collateral on the House. Typically, we disburse loan funds. Each of our security agreements contains alternate dispute resolution provisions for arbitration, re-possession and sale of assets that secure defaulting loans. We also require that the customer provides a guarantor as part of a reference check prior to disbursing the funds, a process which we believe acts as a social enforcement mechanism for timely repayment by our rural and semi-urban customers.

We believe that our de-centralized streamlined origination process is successful because of our employee training and integrated technology. We train our employees to use soft skills and offer customised financial products based on the credit requirements and credit history of customers. Moreover, we are able to regularly monitor origination, disbursement and collection with our integrated technology. In addition, hand-held GPRS devices used by our employees provide us with installment collection, customer and certain risk management information in a prompt manner, thus enabling better monitoring. The recording of data in this manner enables us to provide intimation by SMS to customers in a prompt manner at every stage of the transaction and we believe, it also allows us to handle customer queries more efficiently.

Brand recall and synergies with the Mahindra Group

MMFSL is our promoter and one of the leading non-banking finance companies (“NBFCs”) with customers in the rural and semi-urban markets of India. MMFSL is part of the Mahindra Group, which is one of the largest business conglomerates in India. They are primarily engaged in providing financing for new and pre-owned auto and utility vehicles, tractors, cars and commercial vehicles.

M&M, Promoter of MMFSL and the flagship company of the Mahindra Group, was included by Forbes in its ‘Global 2000’ list for 2010. M&M has been selling automotive and farm equipment in semi-urban and rural markets for approximately 66 years. The Mahindra Group has a strong presence in utility vehicles, tractors, information technology, financial services, aerospace, real estate, hospitality and logistics sectors. We believe that our relationship with the Mahindra Group provides brand recall and we will continue to derive significant marketing and operational benefits.

Access to cost-effective funding

We believe that we are able to access cost-effective debt financing due to our strong brand equity, stable credit history, superior credit ratings and conservative risk management policies. Historically, we have secured cost-effective funding from a variety of sources. Our Company maintains borrowing relationships with several banks, mutual funds and financial institution. We adhere to write-off and provisioning standards that are in line with prescribed by the National Housing Bank (NHB)/Reserve Bank of India (the “RBI”). We also believe that we manage risk through controls on our loan origination and processing activities. For example, we do not use intermediaries for loan origination. We instead train our employees to substantiate each borrower’s identity, and then link a part of the compensation for employees involved in origination to the payment history of loans sourced by such employee. Our long term and subordinated debt is presently rated IND AA+ and CARE AA+ by India

Ratings & Research Private Limited and CARE Limited respectively. India Ratings & Research Private Limited has also rated our short-term debt IND A1+, which is the highest rating for short-term debt instruments. For the year ended March 31, 2016, our average annualized interest cost of borrowed funds was 9.60%.

Experienced management team

We have an experienced management team, which is supported by a capable and motivated pool of employees. Our senior managers have diverse experience in various financial services and functions related to our business. Our senior managers have an in-depth understanding of the specific industry, products and geographic regions they cover, which enables them to appropriately support and provide guidance to our employees. We also have an in-house experienced legal team consisting of qualified professionals, well-equipped to handle all our legal requirements ranging from loan and security documentation to recovery, security enforcement and related litigation, if any.

Our Strategies

Our business strategy is designed to capitalize on our competitive strengths to become the preferred provider of financing services to customers in the rural and semi-urban areas of India. Our key strategic priorities are as follows:

Focus on the rural and semi-urban markets to grow our market share

We plan to continue to expand our office network and increase the market share of our existing products and services in the rural and semi-urban markets of India. We intend to grow our market share by expanding our customer base and strengthening our relationships with sarpanch / local bodies. We have grown our office network to 325 offices as of March 31, 2016 from 278 offices as of March 31, 2015. In opening each office site, we analyze the local market and proximity to target customers. We believe our customers appreciate this convenience and that well-placed office sites allow us to attract new customers. In addition to our branch and region-based organisational structure, we have also formed a separate vertical for each of our key products, which works with our employees across offices to customize our products based on customers feed-back.

We also seek to expand our relationships by strengthening our presence at rural & semi urban India and by continuing to engage local bodies “sarpanch” for customer relationships. We believe that this strategy will increase our customer base, revenues and customer confidence. We believe that we are in a position to leverage our existing distribution infrastructure to increase our penetration in markets where we already have a presence.

Focus on effective use of technology

As we continue to expand our geographic reach and scale of operations, we intend to further develop and integrate our technology to support our growth and improve the quality of our services. We intend to increase the number of offices connected to the centralized data centre in Mumbai. We also intend to expand our use of hand-held GPRS devices, which collect data used to monitor our operations and risk exposure. We believe that as we develop and integrate such programs into our business, we can further capitalize on the reach of our offices and increase our market share. Our use of technology will also allow us to continue providing streamlined approval and documentation procedures and reduce incidence of error.

Further, our continued focus on the effective use of technology is aimed at allowing employees across our office network to collect and feed data to a centralized management system, providing our senior management with prompt operational data

and assisting with treasury management. We believe that the accurate and timely collection of such data gives us the ability to operate our business in a centralized manner and develop better credit procedures and risk management

Continue to attract and retain talented employees

As part of our business strategy, we are focused on attracting and retaining high quality talent. We recognize that the success of our business depends on our employees, particularly as we continue to expand our operations. We have successfully recruited and retained talented employees from a variety of backgrounds, including credit evaluation, risk management, treasury, technology and marketing. We will continue to attract talented employees through our retention initiatives and recruitment from local graduate colleges. Our retention initiatives include job rotation, secondments, quarterly reviews, incentive-based compensation, employee recognition programs, training at our training facility and on-the-job training. We invest a significant amount of time and resources for training our employees, which we believe fosters mutual trust, improves the quality of our customer service and puts further emphasis on our continued retention.

Our Operations

We follow clearly defined procedures for evaluating the credit worthiness of customers. The typical credit appraisal process adopted is as follows:

Initial Evaluation

Once we receive an application, a field executive obtains information from the customer, including proof of identification and other relevant information such as his background, earning potential, loan being sought to assess the customer's potential of servicing the loan. We also require that the customer provide a guarantor, which is often an existing or former customer. For an existing customer, the field executive also evaluates the customer's track record of payments.

The field executive then recommends whether the loan should be approved based on prescribed guidelines and forwards a recommendation to the office manager for disbursement.

Approval Process

Our office managers evaluate proposals received from field executives. Office managers primarily evaluate a customer's ability to repay. To minimize the time required for approvals, we conduct know-your-customer ("KYC") procedures required by as per credit policy, use decentralized approval authority and standardized documentation and procedures across our offices. Our objective is to ensure appraisal and disbursement within the shortest possible time, without compromising on quality. We typically approve loans after receiving a complete application together with relevant supporting documents.

Disbursement

After confirming completion of the initial evaluation and approval process, our disbursing officers meet with customers to execute the loan documentation, ensuring that we gain security over the collateral. The disbursing officer explains the contents of the loan documents and based on customer's request, provides copies of the executed loan documents to the customer. We also require the customer to submit post-dated cheques. We aim to appraise customers and complete disbursement within the

shortest amount of time while adhering to our internal standards and regulatory requirements.

Loan Administration and Monitoring

At the outset of loan disbursement, we give our customers an option to pay using cheque, demand drafts at a frequency that is fixed after determining the customer's expected cash flow. Our field executives visit customers to collect installments as they become due. We track loan repayment schedules on a monthly basis through our central MIS department, which monitors installments due and loan defaults. We ensure that all customer accounts are reviewed by an office manager in regular intervals, with customers who have larger exposures or missed payments reviewed more frequently.

Our field executives are responsible for collecting installments, with each field executive typically having responsibility for a specified number of borrowers. We also limit each office to a specified number of customers in an effort to ensure that each office can closely monitor its risks and collections.

Collection & Recovery

We believe that our loan recovery procedure is well-suited to rural and semi-urban markets, as reflected by our high loan recovery ratios. The entire collection process is administered in-house. If a customer misses installment payments, our field executives identify the reasons for default and initiate action pursuant to our internal guidelines.

Where appropriate, our legal team and external lawyers to initiate and monitor legal proceedings.

Key Operational and Financial Parameters

(Rs. In Lakhs)

For Financial Entities			
<i>Parameters</i>	<i>FY2015-16</i>	<i>FY2014-15</i>	<i>FY2013-14</i>
Networth	27,576.70	17,315.85	12,151.99
Total Debt	2,66,667.52	1,70,967.13	1,09,364.44
of which – Non Current Maturities of Long Term Borrowing	2,04,106.47	1,49,705.07	90,783.60
– Short Term Borrowing	36,649.45	4,124.23	2,625.00
– Current Maturities of Long Term Borrowing	25,911.60	17,137.83	15,955.84
Net Fixed Assets	1,046.06	690.87	722.23
Non Current Assets	2,48,299.68	1,58,313.17	1,04,109.38
Cash and Cash Equivalents	1,127.21	990.24	653.21
Current Investments	-	-	-
Current Assets	79,651.01	51,948.12	32,279.24
Current Liabilities	94,949.57	42,986.25	33,612.56
Assets Under Management	3,30,123.97	2,11,942.40	1,37,764.06
Off Balance Sheet Assets	76.81	104.72	36.76
Interest Income	45,061.29	29,741.47	19,335.48

Interest Expense	21,177.80	14,007.36	8,825.28
Provisioning & Write-offs	3,873.47	1,829.51	1,066.40
PAT	6,268.03	4,417.34	2,707.85
Gross NPA (%)	7.26%	5.85%	4.65%
Net NPA (%)	5.55%	4.58%	3.65%
Tier I Capital Adequacy Ratio (%)	18.31%	14.27%	14.67%
Tier II Capital Adequacy Ratio (%)	5.34%	1.00%	1.38%

*Figures have been reclassified where necessary

Gross Debt: Equity Ratio of the Company: as on 31st March 2016

Before the issue of Debt Securities	9.67:1
After the issue of Debt Securities	Will be submitted after each issue with addendum

c. A Brief History of our Company:

i. Capital Structure of the Company as on 31st March 2016:

<i>SHARE CAPITAL</i>	<i>AMOUNT (Rs. In Lacs)</i>
Authorised :	
100,000,000 Equity shares of Rs.10/- each	10,000.00
Issued Share capital :	
75,729,181 Equity shares of Rs.10/- each	7,572.92
Subscribed and Paid-up :	
75,729,181 Equity shares of Rs.10/- each fully paid up	7,572.92
TOTAL	7,572.92

ii. Changes in Capital Structure as on 31st March 2016 for last five years:

<i>Date of Change (AGM/EGM)</i>	<i>Rs.</i>	<i>Particulars</i>
11th June, 2007	25 crore	Authorised Capital of the Company was increased from Rs. 2 crores to Rs. 25 crores.
20th October, 2008	50 crores	Authorised Capital of the Company was increased from Rs. 25 crores to Rs. 50 crores.
14th October, 2011	100 crores	Authorised Capital of the Company was increased from Rs. 50 crores to Rs. 100 crores.

iii. Equity Share capital history of our Company as on 31st March 2016

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of allotment	Cumulative		
						No. of Equity Shares	Equity Share Capital (Rs.)	Equity Share Premium (Rs.)*
11 th June, 2007	1950000	10	10	19500000	Rights	2000000	20000000	-
28 th April, 2008	3000000	10	10	30000000	Rights	5000000	50000000	-
6 th October, 2008	714285	10	10	7142850	Preferential Allotment	5714285	57142850	-
16 th January, 2009	3999995	10	10 (Rs. 2 per share payable on application)	79999990	Rights	45714280	137142840	-
			First call of Rs. 4 per share was made at the Meeting of the Board of Directors held on 15 th July, 2010	159999980	First Call	45714280	297142820	-
			Second Call of Rs. 4 per share was made at the Meeting of the Board of Directors held on 15 th April, 2011	159999980	Second Call	45714280	457142800	-
6 th May, 2013	20022857	10	25 (Rs. 12.5 including premium of Rs. 7.5 per share payable on application)	500571425	Rights	65737137	557257085	150171427
			Final Call of Rs. 12.5 per share (including	500571425	First Call	65737137	657371370	300342855

			premium of Rs. 7.5 per share) was made at the Meeting of the Board of Directors held on 14 th July, 2014					
30 th March, 2016	99,92,044	10	40 (including premium of Rs. 30 per share)	399681760	Rights	75729181	757291810	600104175

**Equity Share Premium not adjusted for issue expenses*

iv. Details of any Acquisition or Amalgamation in the last 1 year:

There was No Acquisition by or Amalgamation in our company during last 1 year

v. Details of any Reorganization or Reconstruction in the last 1 year:-

Type of Event	Date of Announcement	Date of Completion	Details
	NA		

d. Details of the shareholding of the Company as on 31st March 2016:

i. Shareholding pattern of the Company as on 31st March 2016:

Sr No	Particulars	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	Mahindra & Mahindra Financial Services Ltd. (including 6 shares held jointly with nominees)	6,62,63,043	5,75,19,991	87.50%
2	National Housing Bank (NHB)	94,66,138	82,17,134	12.50%
	TOTAL	7,57,29,181	6,57,37,125	100.00%

- ii. List of top 10 holders of equity shares of the Company as on 31st March 2016

Sr No	Particulars	Total No of Equity Share	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	Mahindra & Mahindra Financial Services Ltd.(including 6 shares held jointly with nominees)	6,62,63,043	5,75,19,991	87.50%
2	National Housing Bank (NHB)	94,66,138	82,17,134	12.50%
	TOTAL	7,57,29,181	6,57,37,125	100.00%

e. Details Regarding the directors of the Company: as on 17th June 2016

- i. Details of the current directors of the Company*

Name, Designation and DIN	Age	Address	Director of the Company since	Details of other Directorship#
Mr. Ramesh Iyer Chairman DIN 00220759	57	Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.	09.04.2007	As per table below
Mr. Anuj Mehra Managing Director DIN no. 02712119	55	Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.	16.01.2012	As per table below
Mr. Kulasekhara Chakravarthy Nominee Director DIN no. 07100075	53	National Housing Bank Core 5-A, 4th Floor, India Habitat Centre, Lodi Road, New Delhi – 110 003.	12.3. 2015	As per table below
Mr. K. Chandrasekar Director DIN no. 01084215	62	Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.	16.01.2012	As per table below
Mr. V. Ravi Director DIN no. 00307328	56	Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.	09.04.2007	As per table below

Mr. Nityanath Ghanekar Independent Director DIN no.00009725	69	165-C, Dr. Ambedkar Road, Dadar, Mumbai - 400014	30.3.2015	As per table below
Mrs. Anjali Raina Independent Director DIN no.02327927	57	Flat 7, Naples, 9 Sobhani Road, Mumbai - 400005	30.3.2015	As per table below
Mr. M. Narendra Independent Director DIN no. 00536905	61	Flat No. C, 115-116, Legend Apartments, St. Anthony's Street, Santa Cruz, Mumbai – 400055	13.8.2015	As per table below

* There is No director whose name is currently appearing in the RBI defaulter list and/or ECGC default list.

Details of other Directorships as on 17th June 2016

Sr. No.	Name	Other Companies in which director is interested
1.	Mr. Ramesh Iyer	Mahindra & Mahindra Financial Services Limited Mahindra First Choice Wheels Limited Mahindra Insurance Brokers Limited NBS International Limited Finance Industry Development Council Mahindra First Choice Services Limited Mahindra & Mahindra South Africa (Pty.) Limited Mahindra Finance USA LLC
2.	Mr. Anuj Mehra	Nil
3	Mr. K. Chandrasekar	Mahindra Middle East Electrical Steel Service Centre Bristlecone India Limited Mahindra Logistics Limited Mahindra First Choice Services Limited Mahindra & Mahindra South Africa (Pty) Limited Mahindra Sona Limited Mahindra Emirates Vehicle Armouring Mahindra Agri Solutions Limited (Formerly known as Mahindra Shubhlabh Services Limited) Mahindra Gujarat Tractor Limited Mahindra Defence Naval Systems Private Limited Mahindra Holdings Limited Mahindra Overseas Investment Company (Mauritius) Limited Mahindra Susten Private Limited
45.	Mr. K. Chakravarthy	Nil
5.	Mr. V. Ravi	Mahindra Insurance Brokers Limited Mahindra Finance USA LLC Mahindra Solar One Private Limited Mahindra Asset Management Company Private Limited Mahindra & Mahindra Financial Services Limited
6.	Mr. Nitayanath Ghanekar	National Peroxide Limited Mahindra Insurance Brokers Limited IDFC AMC Trustee Company Limited
7.	Mrs. Anjali Raina	Harvard Business School Publishing India Private Limited Raina Advisory Services Private Limited

		Harvard Global Research Support Centre India Out-Of-Home Media (India) Private Limited Advantage Leadership Solutions Private Limited Mahindra Insurance Brokers Limited
8	Mr. M. Narendra	Sicom Limited Sequent Scientific Limited Mahindra Trustee Company Private Limited Mahindra First Choice Wheels Limited UAE Exchange and Financial Services Limited Indian School Finance Company Private Limited Mangalore Chemicals and Fertilisers Limited

ii. Details of change in directors since last three years :-

Name, Designation and DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. K. Chandrasekar Director DIN no. 01084215	16.01.2012	N.A.	-
Mr. Anuj Mehra Managing Director DIN no. 02712119	16.01.2012	N.A.	Re-appointed as Managing Director at the Extraordinary General Meeting of the Company held on 27th February, 2015.
Mr. V. Rajan Nominee Director DIN no.03219552	20.2.2015	14.10.2010	Withdrawal of nomination by National Housing Bank
Mr. K. Chakravarthy Nominee Director DIN no.07100075	12.3.2015	N.A.	-
Mr. Nityanath Ghanekar Independent Director DIN no. 00009725	30.3.2015	N.A.	-
Mrs. Anjali Raina Independent Director DIN no. 02327927	30.3.2015	N.A.	-
Mr. Narendra Mairpady Independent Director DIN no. 00536905	13.8.2015	N.A.	-

f. Details regarding the auditors of the Company:

i. Details of the auditor of the Company

Name	Address	Auditor since
B.K. Khare & Co. Chartered Accountants	706/708, Sharda Chambers, Mumbai 4000020	2008

ii. Details of change in auditor since last three years:

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
		N.A.		

g. Details of borrowings of the Company, as on 31st March 2016:

i. Details of Secured Loan Facilities as on 31st March 2016:

(Rs in Crs)

Lender's Name	Type of Facility	Amt Sanctioned	Principal Amt Outstanding	Maturity Date	Security
Bank of Baroda	Term Loan	100.00	100.00	26-Mar-2018	Receivables and Book Debts
Bank of Baroda	Term Loan	100.00	100.00	18-Mar-2020	Receivables and Book Debts
Vijaya Bank	Term Loan	100.00	100.00	27-May-2017	Receivables and Book Debts
Vijaya Bank	Term Loan	50.00	50.00	26-Dec-2017	Receivables and Book Debts
Vijaya Bank	Term Loan	50.00	50.00	25-Mar-2018	Receivables and Book Debts
Vijaya Bank	Term Loan	50.00	50.00	27-Mar-2018	Receivables and Book Debts
Punjab & Sind Bank	Term Loan	100.00	100.00	27-Mar-2020	Receivables and Book Debts
Punjab & Sind Bank	Term Loan	50.00	50.00	22-Mar-2021	Receivables and Book Debts
Axis Bank	Term Loan	60.00	15.00	28-Feb-2017	Receivables and Book Debts
Axis Bank	Term Loan	-	15.00	28-Feb-2018	Receivables and Book Debts
Axis Bank	Term Loan	-	15.00	28-Feb-2019	Receivables and Book Debts
Axis Bank	Term Loan	-	15.00	28-Feb-2020	Receivables and Book Debts
Dena Bank	Term Loan	50.00	6.00	17-Jul-2016	Receivables and Book Debts
Dena Bank	Term Loan	-	8.00	17-Jan-2017	Receivables and Book Debts

HDFC Bank	Term Loan	100.00	2.63	20-Apr-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.63	20-Jul-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.63	20-Oct-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.63	20-Jan-2017	Receivables and Book Debts
HDFC Bank	Term Loan	25.00	1.32	26-Jun-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	1.32	26-Sep-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	1.32	26-Dec-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	1.32	26-Mar-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	1.32	26-Jun-2017	Receivables and Book Debts
HDFC Bank	Term Loan	50.00	2.78	30-Jun-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Sep-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Dec-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Mar-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Jun-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Sep-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Dec-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Mar-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Jun-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.78	30-Sep-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.77	30-Dec-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.77	30-Mar-2019	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.77	30-Jun-2019	Receivables and Book Debts
HDFC Bank	Term Loan	-	2.77	30-Sep-2019	Receivables and Book Debts
HDFC Bank	Term Loan	100.00	5.56	11-Jun-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Sep-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Dec-2016	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Mar-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Jun-2017	Receivables and Book Debts

HDFC Bank	Term Loan	-	5.56	11-Sep-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Dec-2017	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Mar-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Jun-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Sep-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Dec-2018	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Mar-2019	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Jun-2019	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Sep-2019	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Dec-2019	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Mar-2020	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.56	11-Jun-2020	Receivables and Book Debts
HDFC Bank	Term Loan	-	5.48	11-Sep-2020	Receivables and Book Debts
ING Vysya Bank Ltd	Term Loan	50.00	2.50	07-Jun-2016	Receivables and Book Debts
ING Vysya Bank Ltd	Term Loan	-	2.50	07-Sep-2016	Receivables and Book Debts
ING Vysya Bank Ltd	Term Loan	-	2.50	07-Dec-2016	Receivables and Book Debts
ING Vysya Bank Ltd	Term Loan	-	2.50	07-Mar-2017	Receivables and Book Debts
Bank of Maharashtra	Term Loan	100.00	100.00	26-Dec-2017	Receivables and Book Debts
Bank of Maharashtra	Term Loan	100.00	100.00	27-Feb-2019	Receivables and Book Debts
Syndicate Bank	Term Loan	100.00	16.67	30-Sep-2016	Receivables and Book Debts
Syndicate Bank	Term Loan	-	16.67	31-Mar-2017	Receivables and Book Debts
Syndicate Bank	Term Loan	-	16.67	30-Sep-2017	Receivables and Book Debts
Syndicate Bank	Term Loan	-	16.65	31-Mar-2018	Receivables and Book Debts
Syndicate Bank	Term Loan	100.00	16.67	25-Sep-2017	Receivables and Book Debts
Syndicate Bank	Term Loan	-	16.67	25-Mar-2018	Receivables and Book Debts
Syndicate Bank	Term Loan	-	16.67	25-Sep-2018	Receivables and Book Debts
Syndicate Bank	Term Loan	-	16.67	25-Mar-2019	Receivables and Book Debts
Syndicate Bank	Term Loan	-	16.67	25-Sep-2019	Receivables and Book Debts

Syndicate Bank	Term Loan	-	16.65	25-Mar-2020	Receivables and Book Debts
Federal Bank	Term Loan	150.00	30.00	03-Sep-2016	Receivables and Book Debts
Federal Bank	Term Loan	-	30.00	03-Sep-2017	Receivables and Book Debts
Federal Bank	Term Loan	-	30.00	03-Sep-2018	Receivables and Book Debts
Federal Bank	Term Loan	-	60.00	03-Sep-2019	Receivables and Book Debts
ICICI Bank	Term Loan	100.00	25.00	28-Sep-2018	Receivables and Book Debts
ICICI Bank	Term Loan	-	25.00	28-Sep-2019	Receivables and Book Debts
ICICI Bank	Term Loan	-	50.00	28-Sep-2020	Receivables and Book Debts
ICICI Bank	Term Loan	200.00	50.00	28-Dec-2018	Receivables and Book Debts
ICICI Bank	Term Loan	-	50.00	28-Dec-2019	Receivables and Book Debts
ICICI Bank	Term Loan	-	100.00	28-Dec-2020	Receivables and Book Debts
ICICI Bank	Term Loan	150.00	12.50	30-Mar-2019	Receivables and Book Debts
ICICI Bank	Term Loan	-	12.50	30-Mar-2020	Receivables and Book Debts
ICICI Bank	Term Loan	-	25.00	30-Mar-2021	Receivables and Book Debts
IDFC Bank	Term Loan	125.00	37.50	24-Sep-2017	Receivables and Book Debts
IDFC Bank	Term Loan	-	50.00	24-Sep-2018	Receivables and Book Debts
IDFC Bank	Term Loan	-	37.50	24-Sep-2019	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	62.00	2.00	07-Aug-2017	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	-	20.00	07-Aug-2018	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	-	20.00	07-Aug-2019	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	-	20.00	07-Aug-2020	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	60.00	6.00	18-Mar-2018	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	-	18.00	18-Mar-2019	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	-	18.00	18-Mar-2020	Receivables and Book Debts
Kotak Mahindra Bank	Term Loan	-	18.00	18-Mar-2021	Receivables and Book Debts
Kotak Mahindra Bank	Line of Credit	100.00	48.00	18-Apr-2016	Receivables and Book Debts
NHB	Term Loan	25.00	0.83	01-Apr-2016	Receivables and Book Debts
NHB	Term Loan	50.00	1.82	01-Apr-2016	Receivables and Book Debts

NHB	Term Loan	-	1.21	01-Jul-2016	Receivables and Book Debts
NHB	Term Loan	-	0.89	01-Oct-2016	Receivables and Book Debts
NHB	Term Loan	-	0.11	01-Jan-2017	Receivables and Book Debts
NHB	Term Loan	75.00	1.93	01-Apr-2016	Receivables and Book Debts
NHB	Term Loan	-	1.93	01-Jul-2016	Receivables and Book Debts
NHB	Term Loan	-	1.93	01-Oct-2016	Receivables and Book Debts
NHB	Term Loan	-	1.79	01-Jan-2017	Receivables and Book Debts
NHB	Term Loan	-	1.51	01-Apr-2017	Receivables and Book Debts
NHB	Term Loan	-	1.50	01-Jul-2017	Receivables and Book Debts
NHB	Term Loan	-	1.50	01-Oct-2017	Receivables and Book Debts
NHB	Term Loan	75.00	2.79	01-Apr-2016	Receivables and Book Debts
NHB	Term Loan	-	2.79	01-Jul-2016	Receivables and Book Debts
NHB	Term Loan	-	2.79	01-Oct-2016	Receivables and Book Debts
NHB	Term Loan	-	2.79	01-Jan-2017	Receivables and Book Debts
NHB	Term Loan	-	2.79	01-Apr-2017	Receivables and Book Debts
NHB	Term Loan	-	2.79	01-Jul-2017	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Oct-2017	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Jan-2018	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Apr-2018	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Jul-2018	Receivables and Book Debts
NHB	Term Loan	-	1.44	01-Oct-2018	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jan-2019	Receivables and Book Debts
NHB	Term Loan	-	0.15	01-Apr-2019	Receivables and Book Debts
NHB	Term Loan	75.00	2.78	01-Apr-2016	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Jul-2016	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Oct-2016	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Jan-2017	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Apr-2017	Receivables and Book Debts

NHB	Term Loan	-	2.78	01-Jul-2017	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Oct-2017	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Jan-2018	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Apr-2018	Receivables and Book Debts
NHB	Term Loan	-	2.78	01-Jul-2018	Receivables and Book Debts
NHB	Term Loan	-	2.77	01-Oct-2018	Receivables and Book Debts
NHB	Term Loan	-	2.77	01-Jan-2019	Receivables and Book Debts
NHB	Term Loan	-	2.77	01-Apr-2019	Receivables and Book Debts
NHB	Term Loan	-	0.84	01-Jul-2019	Receivables and Book Debts
NHB	Term Loan	25.00	0.93	01-Apr-2016	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jul-2016	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Oct-2016	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jan-2017	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Apr-2017	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jul-2017	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Oct-2017	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jan-2018	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Apr-2018	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jul-2018	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Oct-2018	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jan-2019	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Apr-2019	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jul-2019	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Oct-2019	Receivables and Book Debts
NHB	Term Loan	-	0.93	01-Jan-2020	Receivables and Book Debts
NHB	Term Loan	-	0.82	01-Apr-2020	Receivables and Book Debts
NHB	Term Loan	100.00	3.77	01-Apr-2016	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jul-2016	Receivables and Book Debts

NHB	Term Loan	-	3.77	01-Oct-2016	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jan-2017	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Apr-2017	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jul-2017	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Oct-2017	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jan-2018	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Apr-2018	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jul-2018	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Oct-2018	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jan-2019	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Apr-2019	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jul-2019	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Oct-2019	Receivables and Book Debts
NHB	Term Loan	-	3.77	01-Jan-2020	Receivables and Book Debts
NHB	Term Loan	-	3.78	01-Apr-2020	Receivables and Book Debts
NHB	Term Loan	-	3.78	01-Jul-2020	Receivables and Book Debts
NHB	Term Loan	-	1.97	01-Oct-2020	Receivables and Book Debts
NHB	Term Loan	-	0.37	01-Jan-2021	Receivables and Book Debts
NHB	Term Loan	-	0.35	01-Apr-2021	Receivables and Book Debts
NHB	Term Loan	50.00	1.90	01-Apr-2016	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jul-2016	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Oct-2016	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jan-2017	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Apr-2017	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jul-2017	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Oct-2017	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jan-2018	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Apr-2018	Receivables and Book Debts

NHB	Term Loan	-	1.90	01-Jul-2018	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Oct-2018	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jan-2019	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Apr-2019	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jul-2019	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Oct-2019	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jan-2020	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Apr-2020	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jul-2020	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Oct-2020	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jan-2021	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Apr-2021	Receivables and Book Debts
NHB	Term Loan	-	1.90	01-Jul-2021	Receivables and Book Debts
NHB	Term Loan	-	0.60	01-Oct-2021	Receivables and Book Debts
HSBC Bank	WCDL	35.00	-	04-Oct-2015	Receivables and Book Debts
IDBI Bank	WCDL/ CC	75.00	49.98	13-Apr-2016	Receivables and Book Debts
Vijaya Bank	CC	40.00	10.97	On demand	Receivables and Book Debts
Axis Bank	WCDL	15.00	15.00	07-Apr-2016	Receivables and Book Debts
HDFC Bank	WCDL	25.00	20.00	18-Apr-2016	Receivables and Book Debts
ICICI Bank	CC	40.00	-	On demand	Receivables and Book Debts
Total		3,087.00	2,310.56		

*Difference in decimals due to roundoff

ii. Details of Unsecured Loan Facilities as on 31st March 2016:

Lender's Name	Type of Facility	Amt Sanctioned (Rs. In Crs)	Principal Amt outstanding (Rs. In Crs)	Repayment New Date / Schedule
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	1.25	23-Jun-16
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	1.50	25-Jun-16
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	2.75	29-Aug-16

Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	9.75	8-May-16
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	3.00	21-Dec-17
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	1.00	23-Dec-17
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	1.50	19-Dec-17
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	1.75	7-Mar-17
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	4.00	5-Mar-17
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	1.00	18-Jan-17
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	0.75	2-Feb-18
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	0.50	3-Feb-18
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	3.00	11-Jan-18
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	3.00	12-Jan-18
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	3.00	13-Jan-18
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	2.50	14-Jan-18
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	0.50	21-Jan-18
Mahindra Insurance Broker Limited	Inter Corporate Deposit	-	1.25	22-Jan-18
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	14.11	2-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	1.00	4-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	0.60	10-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	2.00	11-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	2.85	14-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	3.00	15-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	2.00	16-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	3.50	17-Jul-16
Mahindra &	Inter Corporate	-		23-Jul-16

Mahindra Financial Services Ltd	Deposit		2.00	
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	2.50	24-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	5.00	31-Jul-16
Mahindra & Mahindra Financial Services Ltd	Inter Corporate Deposit	-	8.00	1-Aug-16
Mahindra Asset Management Company Ltd	Inter Corporate Deposit	-	0.55	26-Aug-16
		Total	89.11	

iii. Details of NCDs as on 31st March 2016:

Debenture Series	Tenor /Period of	Coupon	Amount (Rs. In Lakhs)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security *
MRHFL-AAA (Sub Debt)	5 years 6 Months	11.00 %	700	28-Mar-2013	28-Sep-2018	-	Unsecured	
MRHFL-BBB (Sub Debt)	10 years	9.50%	2500	29-Apr-2015	29-Apr-2025	-	Unsecured	
MRHFL-CCC (Sub Debt)	10 years	9.25%	3500	13-Oct-2015	13-Oct-2025	-	Unsecured	

iv. Top Ten Debenture holders as on 31st March 2016:

Sr No	Name of Debenture Holders	Amount (in Lakhs)
1	Indian Provident Fund Of Bharat Petroleum Corporation Limited	1100
2	Mahindra & Mahindra Financial Services Ltd	700
3	Hindustan Petroleum Corpn Ltd Employees Post Retirement Med Benefit Fund	500
4	Bharat Earth Movers Ltd. Provident Fund Trust	400
5	Crompton Greaves Limited Provident Fund No 1	400
6	Bpcl Employees Post Retirement Medical Benefits Trust	300
7	Housing Development Finance Corporation Ltd -Provident Fund	300
8	Pfizer Limited Employees Provident Fund	300
9	Birla Management Corporation Ltd Staff Provident Fund	280
10	Alembic Pharmaceuticals Limited Provident Fund	250

- v. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued.

NIL

vi. Details of Commercial Paper:

The total Face Value of Commercial Papers Outstanding as on 31st March 2016:

Maturity Date	Amt Outstanding (Rs.. in Lakhs)
2-Jun-2016	12000
14-Jun-2016	8000
Total	20000

vii. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 31st March 2016:

Party Name (in case of Facility)/instrument Name	Type of Facility / Instrument	Amt Sanctioned / Issued	Principal Amt outstanding	Repayment Date / Schedule	Credit Rating	Secured / Unsecured	Security
			NA				

viii. Details of all default/s and/or delay in payments of interest and principal of any kind term of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the company, in the past 5 years.

The Company has been servicing its existing Term Loan on timely basis. Company has been paying all interest and principal on due date on Term Loans. No default has been committed by the company in this regard and there are no overdues or defaults on company's debt.

ix. Details of any outstanding borrowings taken / debt securities issued where taken / issues (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option;

The company does not have outstanding borrowings/ not issued any Securities for consideration otherwise than for cash.

h. Details of Promoters of the Company:

i. Details of Promoter Holding in the Company as on 31st March 2016

Sr No	Name of the Shareholders	Total No of Equity Shares	No of shares in demat form	Total shareholding as % of total no of equity	No of Shares Pledged	% of Shares pledged with respect to shares
1	Mahindra & Mahindra Financial Services Ltd. (including 6 shares held jointly with nominees)	6,62,63,043	5,75,19,991	87.50%	NIL	N.A.

i. Abridged version of audited consolidated financial information: NA

j. Abridged version of audited standalone financial information:

AUDITED STANDALONE BALANCE SHEET

(Rs. in lakhs)

Particulars	As of Mar 31, 2016	As of Mar 31, 2015	As of Mar 31, 2014
<u>EQUITY AND LIABILITIES:</u>			
<u>Shareholders' Funds :</u>			
Capital	7,572.92	6,573.71	5,572.57
Reserves & Surplus	20,003.78	10,742.14	6,579.42
Total Shareholders' Funds	27,576.70	17,315.85	12,151.99
<u>Non Current Liabilities :</u>			
Long Term Borrowings	2,04,106.47	1,49,705.07	90,783.60
Long Term Provisions	3,491.23	1,935.23	1,215.91
Total Non Current Liabilities	2,07,597.70	1,51,640.30	91,999.51
<u>Current Liabilities :</u>			
Short Term Borrowings	36,649.45	4,124.23	2,625.00
Trade Payables	3,098.68	2,050.32	1,592.66
Other Current Liabilities	50,000.06	32,997.27	27,388.98

Short Term Provisions	5,201.38	3,814.43	2,005.92
Total Current Liabilities	94,949.57	42,986.25	33,612.56
Total Equity and Liabilities	3,30,123.97	2,11,942.40	1,37,764.06
ASSETS:	-		
Non Current Assets:	-		
Fixed Assets:			
a) Tangible Assets	1,046.06	690.87	722.23
b) Capital Work-In-Progress	-	-	-
Total Fixed Assets	1,046.06	690.87	722.23
Deferred Tax Asset (Net)	583.89	95.60	663.42
Long Term Loans & Advances	2,47,715.80	1,58,217.57	1,03,445.96
Total Non Current Assets	2,49,345.74	1,59,004.04	1,04,831.61
Current Assets:	-		
Cash and Cash Equivalents	1,127.21	990.24	653.21
Short Term Loans & Advances	79,651.01	51,948.12	32,279.24
Total Current Assets	80,778.22	52,938.36	32,932.45
Total Assets	3,30,123.97	2,11,942.40	1,37,764.06

AUDITED STANDALONE STATEMENT OF PROFIT & LOSS

(Rs. in lakhs)

Particulars	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014
INCOME :	-		
Revenue from Operations	49,536.90	32,830.44	21,243.53

Other Income	7.83	14.03	8.57
TOTAL REVENUE	49,544.73	32,844.47	21,252.10
EXPENSES :	-		
Employee Benefits Expense	9,218.31	6,528.93	3,501.89
Finance cost	21,332.05	14,112.07	8,898.96
Depreciation & Amortisation	343.34	275.01	143.22
Provisions & Write Off's	3,873.47	1,829.51	1,066.40
Other Expenses	5,107.92	3,367.15	3,961.42
TOTAL EXPENSES	39,875.09	26,112.67	17,571.89
PROFIT BEFORE TAX	9,669.64	6,731.80	3,680.21
Tax Expense			
1) Current tax	3,818.00	2,394.00	1,309.67
2) Deferred tax	-488.29	-138.26	-337.31
3) Short Provision for Income Tax - earlier years	71.90	58.72	-
PROFIT/(LOSS) FOR THE PERIOD	6,268.03	4,417.34	2,707.85

AUDITED STANDALONE CASH FLOW STATEMENT

(Rs. in lakhs)

Particulars	Fiscal Year - 2016	Fiscal Year - 2015	Fiscal Year - 2014
Profit before taxes and contingencies and exceptional items	9,669.64	6,731.80	3,680.21
Add/(Less) : Adjustment For			
Depreciation and amortisation expenses	343.34	275.01	143.22
Loss/ (profit) on sale of fixed assets	4.13	5.48	
Provision for Non Performing Assets	3,112.64	1,379.41	837.15

General Provision for Standard Assets	422.75	273.83	174.13
Operating profit before working capital changes	13,552.50	8,665.53	4,834.71
Less: (Increase) / decrease in loans and advances	(1,17,127.48)	(74,420.48)	(47,560.34)
Add : Increase in current liabilities	9,786.92	5,293.93	3,533.91
Cash generated from /(used in) operations	(93,788.06)	(60,461.02)	(39,191.72)
Advance taxes paid	(3,963.31)	(2,299.52)	(1,309.66)
Net Cash Generated from/ (Used In) Operating Activities (A)	(97,751.37)	(62,760.54)	(40,501.38)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets / Software	(785.05)	(303.49)	(368.15)
Sale of fixed assets	8.76	12.67	1.04
Net Cash Generated from/ (Used In) Investing Activities (B)	(776.29)	(290.82)	(367.11)
CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Equity Shares (net of issue expenses)	3,992.82	2,502.86	2,497.85
Proceeds from long-term borrowings	80,700.00	1,39,157.00	96,198.00
Repayment of long-term borrowings	(17,524.83)	(79,053.55)	(56,256.60)
Increase / (Decrease) in short-term borrowings (net)	32,525.21	1,499.23	(900.00)
Dividend paid on equity shares	(854.58)	(612.98)	(457.14)
Tax on equity dividend paid	(173.99)	(104.18)	(77.69)
Net Cash Generated from/ (Used In) Financing Activities (C)	98,664.63	63,388.39	41,004.42

k. Material Event / Development

There are No material events/developments or change at the time of issuance of this document which may affect the issue or the investor's decision to invest/continue to invest in debt securities.

1. Name of the Debenture Trustees

The Company has appointed, Axis Trustee Services Ltd as Debenture Trustees registered with SEBI, for the holders of the Debentures (hereinafter referred to as 'Trustees'). The Company will enter into a Trustee Agreement/Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Trustees in respect of the Debentures.

The Debenture holders shall, without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Trustees or any of their Agents or authorized officials to do, inter alia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Memorandum of Private Placement. All rights and remedies under the Debenture Trust Deed and/or other security documents shall rest in and be exercised by the Trustees without having it referred to the Debenture holders. Any payment made by the Company to the Trustees on behalf of the Debenture holder(s) shall discharge the Company *pro tanto* to the Debenture holder(s).

Company reserves the right to appoint any other other SEBI registered Trustee.

m. Rating Rationale Adopted by Rating Agencies

India Ratings and Research Private Limited has assigned IND **AA+** rating with Stable outlook to our Long Term NCDs and Subordinated Debt.

The rating letter by India Ratings has been appended.

CARE has assigned CARE AA+ rating to our Long Term NCDs and Subordinated Debt

The rating letter by India Ratings has been appended.

n. If the Security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed.

Not Applicable.

o. Copy of Consent letter from Debenture Trustee

A Copy of the consent letter from Debenture Trustee has been appended

p. Listing

The aforesaid debenture of the company are proposed to be listed on the wholesale debt market segment of The Bombay Stock Exchange Ltd. (BSE).

q. Other details

i. Debenture Redemption Reserve (DRR)

As per Companies Act 2013 and Rule 18(7)(b)(ii) of Companies (Share Capital and Debentures) Rules, 2014, made thereunder, NO DRR is required in case of privately

placed debentures issued by Housing Finance Companies registered with National Housing Bank.

ii. Issue / instrument specific regulation

The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time. The Debenture-holders, by purchasing the Debentures, agree that the Mumbai High Court shall have exclusive jurisdiction with respect to matters relating to the Debentures / Subordinate Debt.

Over and above, the said debentures shall be subject to the term and conditions as contained in the offer letter /term sheet, application form and the Debenture Trust Deed / Trustee Agreement.

iii. Application Process:

Application for the Debentures

◆ **How to Apply**

Applications for the Debentures must be made in the prescribed Debenture Application Form which would be attached with the respective Issue term sheet and must be completed in block letters in English by investors. Debentures Application forms must be accompanied by either a demand draft or cheque or Electronic transfer drawn or made payable in favour of "**Mahindra Rural Housing Finance Ltd**". The full amount of the Issue price of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Debenture Application Form together with other applicable documents described below.

Bank Name & Address: HDFC Bank, NOVARTIS HOUSE, DR. ANNIE BESANT ROAD,
WORLI, MUMBAI - 400 018
IFSC Code: HDFC0000240
Bank Account No: 02400310006064
Type of Account: Current Account

The full amount of the Issue price of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Debenture Application Form together with other applicable documents described below.

Cheques / demand drafts / Electronic transfer may be drawn on any bank which is situated and is a member or sub-member of the Banker's Clearing House located at Mumbai. Investors are required to make payments only through Cheque /demand drafts / Electronic transfer payable at Mumbai.

The Issuer assumes no responsibility for any applications / cheques / demand drafts lost in mail or in transit.

◆ **Who can apply**

Only eligible Investors who have been specifically addressed through a communication by or on behalf of the company directly are eligible to apply. The following categories of investors (not an exhaustive list) may apply for the debentures, subject to fulfilling their respective investment norms by submitting all the relevant documents along with the application form.

- Provident/Superannuation/Gratuity/Pension funds.
- Commercial Banks, Financial Institutions and Insurance Companies.
- Mutual Funds
- Corporates
- Foreign Institutional Investors, subject to their investment guidelines and limits as per extant regulations.
- State / Central Co-operative banks, Urban Co-operative banks, District Central Cooperative banks
- Any other investor authorized to invest in these debentures as per extant rules and regulations

◆ **Application by Banks / Corporate Bodies / Mutual Funds / FIs / Trusts / Statutory Corporations.**

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association / Constitution / Bye-laws / Trust Deed (ii) Resolution authorizing investment and containing operating instructions, (iii) Specimen signatures of authorized signatories, (iv) Necessary form for claiming exemption from deduction of tax at source on interest. Application made by Asset Management Company or custodian of Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

◆ **Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all authorised signatories must be lodged along with the submission of the completed Debenture Application form. Further modifications/additions in the power of attorney or authority should be delivered to the Issuer at Corporate Office.

◆ **Interest on Application Money**

Interest on application money (if any) at the applicable coupon rate (or as notified in the term sheet) will be paid via interest cheques / credit to the allottee's bank account through electronic transfer. Such interest will be paid for the period commencing from the date of realization of the cheque(s) / demand drafts(s) / RTGS up to but excluding the Deemed Date of Allotment. The interest cheques / instruction to credit allottee's bank account for the interest payable on application money will be dispatched by Registered Post/ Courier / hand delivery within two working days from the Deemed Date of Allotment. The payment will be subject to deduction of tax at source at the rates prescribed under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof. Such interest would be paid on all the valid applications.

Tax exemption certificates, if applicable, in respect of non-deduction of tax on interest on application money must be submitted along with the Debenture Application Form. It is clarified that interest shall not be paid on invalid and incomplete applications.

◆ **PAN / GIR No:**

All Applicants should mention their Permanent Account number (PAN) allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT Circle/Ward/District should be mentioned. In case where neither the PAN nor the GIR number has been allotted, or the applicant is not assessed to Income Tax, the fact of such a non allotment should be mentioned in the application form. Applications without this will be considered incomplete and are liable to be rejected.

◆ **Basis of Allotment**

The Issuer has sole and absolute right to allot the Debentures to any applicant.

◆ **Right to Accept or Reject Applications**

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Debenture Application Forms that are not complete in all respects shall be rejected at the sole and absolute discretion of the Issuer. The rejected applicant(s) will be intimated along with the refund warrant(s) within 15 days of the closure of the issue.

Basic Terms of The Present Offer/ Purchase

Authority for the Placement

This private placement of Secured / Unsecured Redeemable Non Convertible Debentures (subordinated or not) is being made pursuant to the special resolution of shareholders dated 13th July 2015 authorising the board to borrow monies by way of issue of Non Convertible debentures and resolution of the Board of Directors passed at its meeting held on 15th April 2016 which has approved the placement of Debentures aggregating upto Rs.1900 Crores, comprising of amount to be borrowed through issue of Non Convertible Debentures upto a limit not exceeding Rs. 1600 Crores and in the form of subordinated debt upto a limit of Rs.300 crores. The present issue of Rs. **XXX** Crores is within the overall limit approved by special resolution passed on 13th July 2015 by shareholders, according their consent to the Board of Directors of the Company to borrow monies from time to time up to a limit of Rs 5500 Crores. The borrowings under these Debentures will be within the prescribed limits as aforesaid.

Subordinated debt

Subordinated debt means an instrument, which is fully paid up, is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of HFC.

Rights of Debenture-holders

Debentureholders do not carry any rights regarding voting, dividend, lien on shares.

Market Lot

The market lot will be 1 Debenture and in multiples of 1 thereafter.

Minimum Subscription

10 debentures and in multiples of 1 thereafter

Record Date

The record date for determining eligibility for interest / principal payments shall be mentioned in the respective Term Sheet. Interest / Principal will be paid to the person whose name appears in the Register of Debentureholders as sole / first Debenture holder or as per the list of beneficiaries provided by the Depository as on the record date. In case of delay in lodgment of the instrument of transfer, all claims on interest / principal shall be inter-se between the transferor and transferee.

Place and Currency of Payment

All obligations under these Debentures are payable at Mumbai in Indian Rupees only.

Payment of Interest

Interest will be paid only to the Debenture holders registered in the Register of Debenture holders of the Issuer, which shall be maintained at the Corporate Office of the Issuer at Mumbai or to the debenture holder(s) whose names appear in the list of Beneficial Owners furnished by NSDL to the company as on the Record date for this purpose.

In the case of joint holders, interest shall be payable to the first named Debenture holder. The persons whose names are registered in the Register of Debenture holders or NSDL record on that date shall be entitled to receive the interest for the preceding interest period. For the purpose of registering a transfer of Debentures prior to the Record Date, the Debenture certificate(s)/letter(s) of the allotment, a duly stamped transfer deed and all supporting documents must reach the Issuer at its Corporate Office at least seven days before the Record Date. In case of the Debentures in demat mode the provisions of NSDL would be complied by the Registrar & Transfer Agent for facilitating interest payment by the Issuer Company on Due date.

The interest shall be calculated on Actual/Actual basis, 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. Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days- a-year basis. The interest warrant will be payable at par at Mumbai only. Please refer the illustration mentioned at the end of Section A

Redemption

The payment of the redemption amount of the Debentures will be made by the Company to the Registered Debentureholders recorded in the books of the Company and in the case of joint holders, to the one whose name appears first in the Register of Debentureholders as on the record date. In the event of the Company not receiving any notice of transfer along with the original Debenture certificates, before the record date, the transferee(s) for the Debenture(s) shall not have any claim against the Company in respect to the amount so paid to the Registered Debentureholders.

On the final maturity date, the Debentures held in the physical form will be redeemed by the Company as a legal discharge of the liability of the Company towards the Debentureholders and the applicant has to surrender the duly discharged Debenture certificates/letter of allotment to the Company by registered post with acknowledgement due or by hand delivery to the Company at the Corporate Office or to such other person(s) at such address as may be notified by the Company from time to time, before the record date for redemption.

The Debentures held in the Dematerialized Form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered

Debentureholders whose name appears in the Register of Debentureholders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Debentureholders. On such payment being made, the Company will inform NSDL and accordingly, the depository account of the Debentureholders with NSDL will be debited.

The Company's liability to the Debentureholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further, the Company will not be liable to pay any interest or compensation from the dates of such redemption.

On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

The interest as well as the redemption payments shall be made through instruments payable at par at Mumbai or through RTGS / ECS / transfer instructions.

Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source on the interest payable on the debentures. Tax exemption certificate / document / form, under Section 193 of the Income Tax Act, 1961, if any, must be lodged at the Corporate Office, at least thirty days before the relevant interest payment becoming due.

Issue Of Debentures in Dematerialized Form

The Company has made depository arrangements with National Securities Depository Limited (NSDL) for issue of the Debentures in the demat form. The investors will have the option to hold the debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 and Rules as notified by NSDL from time to time.

Unless the investors specifically request for physical debenture certificates all the Debenture Certificates will be issued in the dematerialized form and the investors should mention their Depository Participant's name, DP-ID and beneficiary account number in the appropriate place in the application form. Debentures allotted to successful allottee(s) having depository account shall be credited to their depository account against surrender of letter of allotment.

In case of incorrect details provided by the investors the Registrar will not credit the debentures to the Depository Account until the details are corrected by the investors.

Issue of Letter of Allotment/ Allotment Advice and Debenture Certificates

The Issuer will execute and dispatch or credit Letters of Allotment/ Allotment advice in favour of the allottees, not later than two days after the Deemed Date of Allotment. After completion of all legal formalities, the Issuer will issue the Debentures certificate(s) / credit the Depository account of the allottee against surrender of the letter(s) of allotment within three month(s) of the Deemed Date of Allotment, or such extended period subject to obtaining the approvals, if any. Interest at coupon rate will be paid via interest warrants on the application money to the applicants. Such interest will be paid for the period commencing from the date of receipt of funds till one day prior to the deemed date of allotment.

Right to Re-purchase and Re-issue the Debentures

The Company will have power, exercisable at its sole and absolute discretion from time to time to repurchase a part or all of its Debentures from the secondary markets or otherwise at any time prior to the date of maturity as per the prevailing guidelines/regulations of Reserve Bank of India and other Authorities.

In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed always to have had, the power to reissue the Debentures either by reissuing the same Debentures or by issuing other Debentures in their place.

Further the Company, in respect of such repurchased / redeemed Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

Transfer of Debentures

Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL / CDSL, Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

The debentures shall be freely transferable subject to the applicable law and prevailing guidelines of Reserve Bank of India (RBI)/ National Housing bank (NHB) and Securities and Exchange Board of India (SEBI). The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company, and the Company shall not be liable in this regard in any manner, whatsoever.

Succession

In the event of demise of a Registered Debenture holder of the Debentures, or the first holder in the case of joint holders, the Issuer will recognize the executor or administrator of the demised Debenture holder or the holder of succession certificate or other legal representative of the demised Debenture holder as the Registered Debentures holder of such Registered Holder's Debentures if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a Court of India having jurisdiction over the matter and delivers a copy of the same to the Issuer. The Issuer may in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised debentures holder on production of sufficient documentary proof or indemnity. In case a person other than individual holds the debentures, the rights in the debentures shall vest with the successor acquiring interest therein, including liquidator or such any person appointed as per the applicable laws.

Modifications of Rights

The rights, privileges, terms and conditions attached to all Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three-fourths of the outstanding amount of Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture holders, carried by a majority consisting of not less than three-fourths of the persons

voting there upon a show of hands or, if a poll is demanded by a majority representing not less than three-fourths in value of the votes cast on such poll, provided that nothing in such consent or resolution shall be operative against the Issuer if the same are not accepted in writing by the Issuer.

Notices

The notices, communications and writings to the Debenture holder(s) required to be given by the Issuer shall be deemed to have been given if sent by Registered Post to the Registered Debenture holder(s) at the address of the Debenture holder(s) registered with the Corporate Office.

All notices, communications and writings to be given by the Debenture holder(s) shall be sent by Registered Post or by hand delivery to the Issuer at Corporate Office or to such persons at such address as may be notified by the Issuer from time to time and shall be deemed to have been received on actual receipt.

Rights of Debentureholders

The Debenture holder (s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Statutory Act. The Debenture shall not confer upon the holders the right to receive notice(s) or to attend and to vote out any General Meeting(s) of the Company.

Future Borrowings

The Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form including issue of Debentures/ other securities in any manner having such ranking in priority, pari passu or otherwise and change the capital structure including the issue of shares of any class, on such terms and conditions as the Company may think appropriate, without having any need to obtain the consent of, or intimation to, the Debenture holders or the Trustees in this connection.

Governing Laws and Jurisdiction

The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI)/National Housing Bank (NHB), Securities & Exchange Board of India (SEBI), Stock Exchanges and other applicable laws and regulations from time to time. The Debenture-holders, by purchasing the Debentures, agree that the Mumbai High Court shall have exclusive jurisdiction with respect to matters relating to the Debentures.

Over and above, the said debentures shall be subject to the term and conditions as contained in the offer letter /term sheet, application form and the Debenture Trust Deed / Trustee Agreement.

Material Contracts & documents

1. Board Resolution for re-appointment of Mr. Anuj Mehra as Managing Director and for finalizing the terms of appointment of Mr. Mehra as Managing Director of the Company was passed at the meeting of the Board of Directors held on 13th January, 2015 and a Special Resolution has been passed by the shareholders at the Extraordinary General Meeting of the Company held on 27th February, 2015.
2. Shareholders Resolution dated 13th July 2015 authorising the board to borrow monies by way of issue of Non Convertible debentures
3. Board Resolution dated 15th April, 2016 authorizing issue of Non Convertible debentures offered under terms of this Disclosure Document

4. The Memorandum and Articles of Association of the company, as amended from time to time
5. Copy of Certificate of Incorporation of the company
6. Copy of Certificate of commencement of business.
7. Annual reports of the company for the last five financial years.

Prior Consent

The relevant consent if any from the previous debenture trustee shall be obtained and submitted to the debenture trustee before opening of issue of debenture, if applicable.

EVENTS OF DEFAULT

If one or more of the events specified herein (hereinafter called "the Event(s) of default") happen(s), the Trustees may, after giving a notice in writing to the company to remedy the breach or default and if after expiry of such period the breach or default is still unremedied, by a notice in writing to the Company declare the principal of and all accrued interest on the debentures to be due and payable forthwith and the security created hereunder shall become enforceable:

- (i) Default is committed in the payment of the principal amount of the Debentures on the due dates;
- (ii) Default is committed in the payment of any instalment of interest on the Debentures on the due dates;
- (iii) Interest amounting to at least Rs. 1,00,000/- shall have been in arrears and unpaid for 30 days after becoming due;
- (iv) Default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Company under this agreement and/or the financial covenants (other than the obligation to pay the principal and interest or any other deed between the Company and the Debentureholders / Trustees and except, where the Trustees certify that such default is in their opinion incapable of remedy (in which case no notice shall be required) and such default shall have continued for a period of 30 days after notice in writing thereof has been given to the Company by the Debentureholders / Trustees;
- (v) Any indebtedness of the Company for borrowed monies i.e. indebtedness for and in respect of monies borrowed or raised (whether or not for cash consideration) by whatever means (including acceptances, credits, deposits and leasing) becomes due prior to its stated maturity by reason of default of the terms thereof or any such indebtedness is not paid at its stated maturity or there is a default in making payments due under any guarantee or indemnity given by the Company in respect of the indebtedness of borrowed monies of any person;
- (vi) Any information given by the Company in its application for Debentures, in the reports and other information furnished by the Company in accordance with the reporting system and the warranties given/deemed to have been given by the Company to Debenture holders/ Trustees is misleading or incorrect in any material respect.
- (vii) If there is reasonable apprehension that the Company is unable to pay its debts or proceedings for taking it into liquidation, either voluntarily or compulsorily, may be or have been commenced in respect thereof;
- (viii) If the Company does not strive to ensure that Mortgaged Properties offered as security to the Trustees/ Debentureholders for the Debentures are not insured or kept insured or depreciate in value to such an extent that in the opinion of the Debentureholders / Trustees further security to the satisfaction of Debentureholders / Trustees should be given and on advising the Company to that effect such security has not been given to the Trustees to their satisfaction;

- (ix) If, without the prior approval of the Trustees or Debentureholders, the Specifically Mortgaged Premises or any assets charged to Debentureholders / Trustees are sold, disposed off, charged, encumbered or alienated or the said buildings, structures, plant and machinery or other equipment are removed, pulled down or demolished except in the ordinary course of business;
- (x) The Company shall have voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency laws or the Company is voluntarily or involuntarily dissolved.
- (xi) The Company is unable or has admitted in writing its inability to pay its debts as they mature;
- (xii) The Company has taken or suffered any action to be taken for its reorganisation, liquidation or dissolution;
- (xiii) A receiver or a liquidator is appointed or allowed to be appointed for all or any part of the undertaking of the Company;
- (xiv) If an attachment or distraint has been levied on the mortgaged / charged properties or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Company;
- (xv) If extraordinary circumstances have occurred which make it improbable for the company to fulfil its obligations under these presents and / or the debentures;
- (xvi) If in the opinion of Debentureholders / Trustees, the security hereby created is in jeopardy.
- (xvii) If, the Company is unable to pay its debts within the meaning of Section 434 of the Companies Act, or if the Company is carrying on business at a loss and it appears to the Trustees/ Debentureholders that the continuation of its business will endanger the security hereby created.
- (xviii) If the Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so;
- (xix) Any other event described as an Event of Default in the Information Memorandum.

Creation of Charge / Security & Description of Property

In case of SECURED DEBENTURES, the redemption of the principal amount of the debentures, payment of interest, remuneration of the Trustees, liquidated damages and all costs, charges, expenses and other monies payable by the Company in respect of the debentures will be secured by a first pari passu Mortgage of property mentioned in First Schedule and exclusive charge on Books Debts and Future Receivables originating from loan contracts and owned Assets to the extent of 100% of Debenture outstanding stated in Part A of Second Schedule.

In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor.

The First Schedule Above Referred To (Description of Immovable Property)

Office No. 101B carpet area admeasuring 205 Sq Ft on First Floor situated at C.S.T. No. 4534 & 4534/1 to 9, Chinchwad, in “Mayur Trade Center Phase-II” Pune - 19 in the state of Maharashtra

The Second Schedule Above Referred To

Part A

Exclusive charge on Books Debts and Future Receivables originating from loan contracts such that the assets secured aggregates to 100% of the outstanding value of debentures and asset cover of 1.00 time at all times during the tenure of the debentures and such asset shall include future receivables and Book Debts against the loan contracts originating in the course of business of the Borrower acquired / to be acquired by the Borrower or other assets as periodically notified by the Company.

Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period

Delay in Listing: In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company will pay penal interest of atleast 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.

Illustration of cash flows emanating from debt securities:

Company	Mahindra Rural Housing Finance Limited
Face Value (per security)	10,00,000.00
Issue Date/Date of Allotment	13-11-2013
Redemption	13-11-2018
Coupon Rate	8.95%
Frequency of the Interest Payment with specified dates	First Interest on 13.11.2014 and subsequently on 13th November every year till maturity
Day Count Convention	Actual / Actual

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
1st Coupon	Thursday, 13 November 2014	365	89,500.00
2nd Coupon	Friday, 13 November 2015	365	89,500.00
3rd Coupon	Monday, 14 November 2016*	367	89,745.00
4th Coupon	Monday, 13 November 2017	364	89,255.00
5th Coupon	Tuesday, 13 November 2018	365	89,500.00
Principal	Tuesday, 13 November 2018	365	10,00,000
Total			14,47,500.00

* F.Y. 2016 is a leap year and the coupon payment date is falling on a Sunday, therefore the coupon is paid on the following working day and has been calculated for 367 days. (If the maturity date falls on a holiday, redemption and accrued interest are payable on the immediately previous working day)

B. Issue Details

Security Name	XX% - Mahindra Rural Housing Finance Limited - XXXX
Issuer	Mahindra Rural Housing Finance Limited
Type of Instrument	Secured / Unsecured Redeemable Non convertible Debentures (Subordinated or Not)
Nature of Instrument	Secured / Unsecured
Seniority	Senior or Subordinated
Mode of Issue	Private Placement
Eligible Investors	Individuals / Hindu Undivided Family / Turst / Limited Liability Partnership / Partnership Firm(s) /Portfolio Managers Registered with SEBI/Associate of Persons/Companies of Bodies Corporate Public Sector Undertakings / Commercial Banks / Regional Rural Banks Mutual Funds / Banks / Financial Institutions / Insurance Companies / Pension Funds / Provident Funds / Gratutity Funds/ Corporates / FII's
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing	To be listed in The Bombay Stock Exchange, Mumbai within 20 days from the date of allotement
Rating of the Instrument	To be decided at the time of each issuance.
Issue Size	Rs. XXX Crs
Option to retain oversubscription (Amount)	
Objects of the Issue	Long term working capital
Details of the utilization of the Proceeds	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/ for financing of Loan Assets/ General Corporate purposes of the Company.
Coupon Rate	XX% p.a.

Step Up/Step Down Coupon Rate 1	
Coupon Payment Frequency	
Coupon payment dates	
Coupon Type	
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	
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. Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days- a-year basis
Interest on Application Money	Not Applicable
Default Interest Rate	In case of default in payment of interest and/or principal redemption on the due dates, additional interest @ 2% p.a. over the documented rate will be payable by the Company for the defaulting period.
Tenor	---- Months from the Deemed Date of Allotment
Redemption Date	
Redemption Amount	Rs. XXX Crs
Redemption Premium /Discount	
Issue Price	Rs. XXX/- per Debenture
Discount at which security is issued and the effective yield as a result of such discount.	
Put option Date	
Put option Price	
Call Option Date	
Call Option Price	
Put Notification Time	
Call Notification Time	
Face Value	Rs.10,00,000/- per Debenture

Minimum Application and in multiples of Debt securities thereafter	10 Debentures and in multiples of 1 thereafter
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	
Issuance mode of the Instrument	Demat

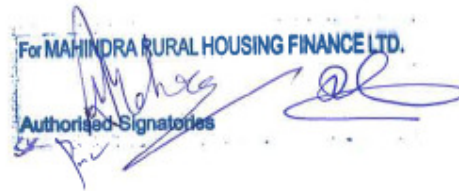
Trading mode of the Instrument	Demat
Settlement mode of the Instrument	Through RTGS / NEFT / Fund Transfer
Depository	NSDL
Business Day Convention	<p>If any interest payment date is not a Business Day in Mumbai, interest will be payable on the next Business Day in Mumbai which shall be the interest payment date.</p> <p>If any principal payment date is not a Business Day in Mumbai, principal and accrued interest will be payable on the previous Business Day in Mumbai which shall be the principal payment date.</p> <p>Business Day means a day which is not a Saturday, Sunday or a public holiday and on a day when there is RTGS/ NEFT/ ECS clearing facility in Mumbai.</p>
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.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation,	Please refer page no 48 of this document “Creation of Charge / Security & Description of Property”

replacement of security).	
Transaction Documents	Term Sheet, Board Resolution, Rating Rationale, Rating Letter, Trustee Consent Letter, BSE In-principal Approval, Application Form
Conditions Precedent to Disbursement	
Condition Subsequent to Disbursement	
Events of Default	Please refer page no 47 of this document
Provisions related to Cross Default Clause	
Role and Responsibilities of Debenture Trustee	As defined in the debenture trust deed
Governing Law and Jurisdiction	Please refer page no 46 of this document

Date: 29th June, 2016

Place: Mumbai

For MAHINDRA RURAL HOUSING FINANCE LTD.
Authorized Signatories





Fitch Group

Mr Amuj Mehra
Managing Director
Mahindra Rural Housing Finance Limited
2nd Floor, Sadhana House,
Behind Mahindra Towers,
570, P.B. Marg, Worli,
Mumbai – 400 018, India.

June 20, 2016

Dear Mr. Mehra,

Re: Ratings of Mahindra Rural Housing Finance Limited. (MRHFL)

India Ratings (see definition below) communicates the following ratings of MRHFL:-

- INR3bn non-convertible debentures: 'IND AA+; Outlook Stable'
- INR2bn subordinated debt (enhanced from INR 1bn): 'IND AA+; Outlook Stable'

Out of the rated INR3bn non-convertible debentures, INR350mn has been issued and is outstanding and out of the rated INR2bn subordinated debt, INR1.4bn has been issued and is outstanding.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action

**India Ratings
& Research**

Fitch Group

is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,

India Ratings


Sandeep Singh
Senior Director


Sudarshan Shreemivas
Director



CARE/HO/RI/2016-17/1473

Mr. Dharmesh Vakharia
 Chief Financial Officer
 Mahindra Rural Housing Finance Ltd.
 Sadhana House, 2nd Floor,
 570, P.B. Marg, Worli,
 Mumbai- 400 038.

June 24, 2016

Confidential

Dear Sir,

Credit Rating for Subordinated Debt and Non Convertible Debenture

Please refer to our letter dated April 27, 2016 and your request for revalidation of the rating assigned to the Subordinated Debt of your company, for a limit of Rs.200 crore and Non convertible debenture of Rs 300 crore.

2. The following rating has been reviewed

Instrument/Facility	Amount Rated (Rs. crore)	Amount Outstanding as on June 23, 2016 (Rs. crore)	Rating ¹	Remarks
Subordinated Debt	200	110	CARE AA+ (Double A Plus)	Reaffirmed
Non convertible Debenture	300	35	CARE AA+ (Double A Plus)	Reaffirmed
Total	500 (Rupees Five hundred crore only)	145 (Rupees One hundred forty five crore only)		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.

AS

4. Please inform us the details of issue [date of issue, name of investor, amount issued, interest rate, date of maturity, etc.] as soon as it has been placed.

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

CREDIT ANALYSIS & RESEARCH LTD.

CORPORATE OFFICE: 4th Floor, Godrej Colliseum, Sonalika Hospital Road, Off Eastern Express Highway, Stan (E), Mumbai 400 022.
 Tel: +91-22-6754 3456; Fax: +91-22-6754 3457 | Email: care@careratings.com | www.careratings.com

CIN: L67190MH1993PLC071691



5. 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.
6. 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 and 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 any reference to you.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. 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,

[Abhishek Gupta]
Manager

abhishek.gupta@careratings.com

Yours faithfully,

[Vishal Sanghavi]
Senior Manager

vishal.sanghavi@careratings.com

Encl.: As above

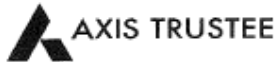
Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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CIN: L67190MH1993PLC071691



ATSL/CO/15-16/185

April 01, 2016

Mahindra Rural Housing Finance Limited
Mahindra Towers, P. K. Kurne Chowk, Worli,
Mumbai – 400018

Kind Attn : Mr. Dharmesh Vakharia

Dear Sir,

Sub: Consent to act as Debenture Trustee for the Issuance of NCDs by Mahindra Rural Housing Finance Limited for the period starting from April 01, 2016 to March 31, 2017.

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for proposed debenture issues (including both secured and unsecured) by the Company during the above mentioned period and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus / Private Placement offer letter / Information Memorandum and / or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours Truly,

For Axis Trustee Services Limited


Mangalagowri Bhat
Manager

AXIS TRUSTEE SERVICES LTD.

(A wholly owned subsidiary of Axis Bank)

Corporate Identity Number (CIN): U74999MH2008PLC182264

CORPORATE & REGISTERED OFFICE : Axis House, 2nd Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025.
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