

Mahindra Finance Rs. 3088.82 Crore Rights Issue to open on July 28, 2020

Finance

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- Issue of 61.78 crore equity shares of face value of Rs. 2 each ("Equity Shares") at a price of Rs.50 per Equity Share aggregating to Rs. 3088.82 crore on a rights basis ("Rights Issue").
- The Equity Shares will be offered in the ratio of one Equity Share for every one Equity Share held by the eligible equity shareholders of the Company as on the record date, that is July 23, 2020.
- The Rights Issue will close on August 11, 2020.

Mumbai, July 27, 2020: Mahindra & Mahindra Financial Services Limited ("**Mahindra Finance**" or "**Company**"), a subsidiary of Mahindra & Mahindra Limited and one of the leading deposit taking non-banking finance companies in India, is scheduled to open its Rights Issue on July 28, 2020.

The Company will issue 617,764,960 fully paid-up Equity Shares of face value of Rs. 2 each for cash at a price of Rs. 50 per Equity Share (including a premium of Rs. 48 per Equity Share) aggregating to Rs. 30,888,248,000 on a rights basis to eligible equity shareholders in the ratio of one Equity Share

for every one fully paid-up Equity Share held on the record date, that is July 23, 2020. The funds raised through the Issue will be used to repay/prepay certain outstanding borrowings of the Company, augment long term capital and resources for meeting funding requirements for the Company's business activities and for general corporate purposes.

Mahindra Finance is primarily engaged in providing financing for new and pre-owned auto and utility vehicles (including three wheelers), tractors, cars and commercial vehicles and has customers primarily in the rural and semi-urban markets of India.

All investors proposing to apply in the Issue should refer to section "Terms of the Issue" read with "Risk Factors" beginning on pages 338 and 20, respectively of the Letter of Offer dated July 21, 2020 filed with BSE, NSE and SEBI.

Kotak Mahindra Capital Company Limited, Axis Capital Limited, BNP Paribas, Citigroup Global Markets Private Limited, HDFC Bank Limited, HSBC Securities and Capital Markets (India) Private Limited, ICICI Securities Limited, Nomura Financial Advisory and Securities (India) Private Limited and SBI Capital Markets Limited are appointed as the lead managers to the Rights Issue.

About Mahindra & Mahindra Financial Services Limited

Mahindra Finance, a part of the Mahindra Group, is one of the leading deposit taking non-banking finance companies in the rural and semi-urban markets of India with over 25 years of operating experience. Mahindra Finance is engaged in providing financing for new and pre-owned auto and utility vehicle, tractors and commercial vehicles. Mahindra Finance also provides housing finance, financing to SMEs and offers fixed deposits. Mahindra Finance established a pan-India presence, spanning 27 states and seven union territories through 1,322 offices, as of March 31, 2020.

Mahindra Finance has been recognized as the only financial institute from India to be in the Dow Jones Sustainability Index for Emerging Market Category, for the 7th year in a row. Mahindra Finance has been ranked 11th amongst “25 Best Large Workplaces in Asia 2019”, by Great Place to Work Institute.

Subsidiaries and Associates

Mahindra Insurance Brokers Limited has a “composite broking license” from the Insurance Regulatory and Development Authority. It provides broking solutions to individuals and corporates and undertakes broking of life, non-life and reinsurance products.

Mahindra Rural Housing Finance Limited, a registered housing finance company, provides loans for purchase, renovation, construction of house property.

Mahindra Finance CSR Foundation is a wholly owned subsidiary company, under the provisions of section 8 of the Companies Act, 2013 which undertakes the CSR activities of the Company and its subsidiaries.

Mahindra Manulife Investment Management Private Limited ("**MMIMPL**") (formerly known as Mahindra Asset Management Company Private Limited) is the asset management company of Mahindra Manulife Mutual Fund. Manulife Investment Management (Singapore) Pte. Ltd. holds 49.0% of the outstanding equity shares of MMIMPL.

Mahindra Manulife Trustee Private Limited ("**MMTPL**"), (formerly known as Mahindra Trustee Company Private Limited) acts as a Trustee to Mahindra Manulife Mutual Fund. Manulife Investment Management (Singapore) Pte. Ltd. holds 49.0% of the outstanding equity shares of MMTPL.

Mahindra Finance USA LLC, an associate of our Company, entered into a joint venture agreement with De Lage Landen Financial Services, Inc, a member of Rabo Bank Mahindra Finance USA LLC, to provide wholesale inventory-financing to dealers and retail-financing to customers in the United States for purchase of Mahindra tractors and utility vehicles. The Company has recently formed a joint venture in Sri Lanka, by acquiring a 38.20% stake in Ideal Finance Ltd to offer financial services in Sri Lanka.

About Mahindra

The [Mahindra Group](#) is a USD 19.4 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It enjoys a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, aerospace, commercial vehicles, components, defense, logistics, real estate, renewable energy, speedboats and steel, amongst other businesses. Headquartered in India, Mahindra employs over 2,56,000 people across 100 countries.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook:

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DISCLAIMER: “Mahindra & Mahindra Financial Services Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to undertake a rights issue of its equity shares (“Issue”) and has filed a letter of offer (“LOF”) with Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). The LOF is available on the website of the SEBI, BSE, NSE and the Registrar to the Issue at www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.kfintech.com respectively, as well as on the websites of the lead managers to the Issue, Kotak Mahindra Capital Company Limited, Axis Capital Limited, BNP Paribas, Citigroup Global Markets India Private Limited, HDFC Bank Limited, HSBC Securities and Capital Markets (India) Private Limited, ICICI Securities Limited, Nomura

Financial Advisory and Securities (India) Private Limited and SBI Capital Markets Limited at www.investmentbank.kotak.com, www.axiscapital.co.in, www.bnpparibas.co.in, www.online.citibank.co.in/rhtml/citigroupglobalscreen1.htm, www.hdfcbank.com, <https://www.business.hsbc.co.in/en-gb/in/generic/lpo-open-offer-and-buyback>, www.icicisecurities.com, www.nomuraholdings.com/company/group/asia/india/index.html, and www.sbicans.com, Potential investors should note that investment in equity shares involves a high degree of risk. For details of such risks, potential investors should refer to the "Risk Factors" section of the LOF, prior to making any investment decision with respect to the Issue.

The Rights Entitlements and the Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("US Securities Act"), or any U.S. state securities laws and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. The Rights Entitlements and the Equity Shares are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) in the United States to "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act) pursuant to the private placement exemption set out in Section 4(a)(2) of the US Securities Act.

Tags :

Rights Issue	Priced at Rs. 50	Aggregating Rs. 3089 crores	Ratio 1:1
Opens July 28			

Closes August 11 2020